HOUSE OF COMMONS DEBATES

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HOUSE OF COMMONS

Monday, September 18, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*Translation*]

RECOGNITION OF SAME SEX SPOUSES

The House resumed from June 1 consideration of the motion.

The Acting Speaker (Mr. Kilger): I would like to point out to the House that there are 42 minutes remaining in the debate on Motion M–264.

[*English*]

There are 42 minutes remaining in debate on Private Members' Business Motion No. 264. When M–264 was last before the House the hon. member for Jonquière had three minutes remaining for debate.

Resuming debate.

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, the hon. member has moved that the government should take the measures necessary for legal recognition of same sex spouses.

By "legal recognition of same sex spouses" I am unclear whether he means same sex partners should be able to register, as I understand they can do on Denmark, or that benefits currently given to married and common law spouses should be extended to same sex partners.

Neither option is viable to my mind given the current state of the law. Perhaps it would have been a better motion had it been made in a provincial legislature rather than here in the House of Commons.

The federal government has very limited jurisdiction in the area of legal recognition of personal relationships. The constitution divides jurisdiction in the area of family law between the provincial legislatures and the federal Parliament. The jurisdiction for marriage is divided, with the provinces being responsible for the solemnization of marriage.

Until fairly recently historical common law spouses were not recognized by our law. The term is a misnomer in any event as common law spouses do not actually exist in common law or judge made law. They actually are created by statute law; not one statute at that but by a large number of statutes at both federal and provincial levels. In other words, unless a particular statute specifically provides that a reference to spouse will include common law relationships they are not included for the purpose of the benefit in issue.

The major statute laws that recognize common law spouses are the provincial family law statutes. These statutes create the major legal obligations imposed on common law spouses should the relationship break down. They deal with the division of property, support obligations between former spouses and any children, and yet even here the provincial law is not consistent across the country. Common law spouses are subject to different legal obligations under different provincial family law statutes across the provinces. They are not even recognized in two provinces including Quebec, the province of residence of the hon. member proposing this measure.

• (1105)

Common law marriage is a quite different concept from that of common law spouses. Common law marriage existed only in the early settlement days of Canada when a minister or a priest was often difficult to find. Although there is some speculation that the concept may still exist in common law in Canada, it would apply only in opposite sex context. Therefore if the provincial family law is the main source of legal obligations between spouses, then it would seem more appropriate that any legal recognition of same sex partners would come first under provincial family law. As I understand it, this was primarily the way in which common law relationships first gained legal recognition.

As a result of several high profile cases before the Supreme Court of Canada, the courts recognized through the doctrines of unjust enrichment and constructive trust the contribution of a woman who had lived for a long period of time with a man as married, even though they had not married.

Legislative changes followed thereafter, starting primarily with family law and then slowly with provincial family law and then slowly moving into the benefits field. This legal recogni-

tion is recent in Canadian law. The changes to the Income Tax Act to reorganize common law spouses have just come about in the last year or two, after the majority of provincial family law statutes recognized the status. It is only recently that the majority of the Supreme Court of Canada stated in the Miron decision that in the circumstances of this case it was discriminatory to treat unmarried couples differently from married couples.

The only references in federal law to personal relationships either follow blood or marriage relationships, which are relatively easy to prove, or copy provincial family law definitions of common law relationships. At the federal level spouses are mostly included in legislation for the purposes of employment benefits, government pension plans, income tax and so on.

The concern is that if we were to extend these benefits to same sex partners at the federal level first, before the provincial family law extends any legal obligations, this could create a situation of unfairness. Spouses, both married and common law, are currently subject to a package of legal rights and responsibilities created by a combination of federal and provincial laws.

It is because spouses are subject to legal obligations, such as support obligations on the breakdown of the relationship, that they are also eligible for benefits, such as survivor benefits under pension plans. It is for the provinces to extend the obligations before we should extend benefits under federal jurisdiction.

How would we accomplish what the hon. member is asking for? How would we take the measures necessary for the legal recognition of same sex spouses, even were we to agree that this should be done? It is clear from the history of the recognition of common law relationships that this was not accomplished by passing a statute called the common law spouses act, nor was this legal recognition even accomplished by the government at any level.

The fact of social change was first acknowledged by the courts in looking at unfairness and unjust enrichment between two partners who had not married. The courts felt strongly that individuals who were living together as if married and so were getting all of the advantages of being married, such as working together to afford a better lifestyle than either would have been able to achieve living alone, should not be able to avoid taking on the obligations of married persons simply by choosing not to marry. Particularly in a situation such as that represented in the first few high profile cases, the common law wife needed the protection of the law.

However, this is a controversial enough subject with regard to opposite sex common law couples. Many common law couples continue to disagree and feel frustrated that the law deems their relationship to be akin to marriage after a certain time has passed. Many still feel that their choice not to marry should be respected by the law.

How much more of a problem will this be with same sex couples who may not be public about their relationships? Conversely, is it fair to recognize those same sex couples who do wish to be open about their relationships?

For a numbers of reasons, the motion is premature and not feasible for the federal government to adopt without the full co–operation of the provincial legislatures.

• (1110)

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I am very pleased with this opportunity to rise in the House today, especially since I unconditionally support Motion M–264, which seeks the legal recognition of same sex spouses. Voting for this motion will give nearly 10 per cent of the population the recognition to which it is entitled.

Since the Quebec government launched its prereferendum campaign, the federal government has spent millions of dollars of taxpayers' money to convince us that Canada is one of the best countries in the world to live in, a country that is tolerant and, especially, a country that accepts diversity.

I therefore ask this government to act accordingly and support the motion standing in the name of my colleague, the hon. member for Hochelaga—Maisonneuve. In fact, the hon. member for Central Nova told us in her speech on the same topic that Canadians are tolerant and that they respect and appreciate diversity.

Will the government be as tolerant and show as much respect for diversity as the hon. member? In May 1994, the Minister of Justice also promised to redefine, in fairly broad terms, the ties between people who live together, are interdependent and should therefore have the same social benefits as traditional families, which does not mean—and I can understand that—changing the concept of the family. Let us be clear about this. The motion does not seek to redefine the family but to enhance the rights of certain people and ensure that discrimination against homosexuals is unacceptable in Canada.

Last June, the Reform Party member for Elk Island reminded us, and I quote: "As legislators, we have a responsibility, an obligation, a high calling to do what is right for our country and its citizens". He directed this message to all Canadians, without exception. It included all Canadians. Consequently, our role as legislators, in my opinion, is to set an example by being openminded, by our sense of justice and our sense of fairness.

That is why, according to this motion, we have a duty to amend, yes, amend all provisions of Canadian legislation concerning spouses. It is a matter of justice, fairness and equality for all citizens.

Let us recall that, last May, the Supreme Court of Canada unanimously agreed that sexual orientation should be added to section 15 of the charter, thus prohibiting discrimination against homosexual men and women.

While the cities of Toronto, Vancouver and Ottawa—to name but a few—as well as many private and public companies also recognize same sex spouses, we in the Parliament of Canada, a supposedly tolerant country that allows anyone to make racist comments or distribute hate propaganda, deny such a basic right to 10 per cent of our population.

• (1115)

I see this as an injustice. A closer look at the definition of the term "discrimination" shows that it means imposing on an individual or group of individuals certain burdens, obligations or—as in this case—disadvantages that are not imposed on other groups. Discrimination also means denying or restricting access to the opportunities, benefits or advantages offered to other members of society. That is discrimination.

In fact, the Quebec human rights commission has recommended that the government review all its laws and regulations and pass a law that would make all legislation dealing with spousal issues comply with the charter, so that same sex spouses can enjoy the same rights as heterosexual common law couples.

Will allowing same sex spouses to take bereavement leave when their lifelong partners die change anything for heterosexual Canadians? Will allowing same sex spouses to receive benefits from public pension plans after their partners die or to contribute to spousal RRSPs change anything for the remaining 90 per cent of the Canadian population? I do not even want to hear the argument that such a measure would result in higher costs.

According to the studies done by many private and even public companies, it would cost less than 1 per cent to correct this situation. Since this Parliament is supposedly not homophobic—as many members keep bragging about in this House—I see no reason why we should not recognize same sex spouses. This would be quite normal and not a privilege granted to one group of people. On the contrary, it would simply be fair to a segment of our population.

I remind you that this is 1995. Today's reality is completely different from what it was 50, 30 or even 10 years ago. Federalists boast that this institution, the Parliament of Canada, is not out of step, obsolete or ossified. They should just prove it and stop talking about the status quo. The status quo is nothing but a vacuum. Again, voting in favour of this motion does not recognize any special rights except for the right to equality. Quebecers are fed up with the double standard inherent in this government's policies. We already know that a sovereign Quebec will fight such measures. The question is: Will the Canadian government be as courageous as the Quebec government?

[*English*]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, welcome back to the House. It is good to be here.

It is a privilege to speak to this motion today because the issue of same sex marriage has been raised to such a high level of awareness in Canada.

As I see it the motion can be approached in two different ways. We can talk about the morality of the homosexual lifestyle which is a bona fide thing to do. After all, the gay and lesbian community bases its arguments for inclusion on moral grounds arguing that what it does is morally acceptable and therefore worthy of government recognition. However, it is not necessary to cast same sex benefits in a moral framework. We can leave aside the moral question for another day and approach this from a pragmatic viewpoint. To set the stage for a pragmatic discussion, allow me to talk about definitions for a moment because this motion is really about societal definitions.

• (1120)

Our society is becoming less and less categorical in its societal definitions and more graduated in every way. Let me give an example. There used to be a huge distinction between social classes in society. If one was born a peasant one could never be a nobleman and vice versa. However, for a variety of historical reasons the distinctions between classes disappeared and status and influence are now seen to be on a gradual continuum, except perhaps for a few people born lucky like the Royals or maybe the Kennedys.

Morality is another example. Things used to be seen in black and white in a moral sense because the laws people lived by were held to be revealed by God. Although these laws seemed arbitrary, the sharply defined moral categories lent a certain stability to life in society.

Over the last two centuries people became less convinced about God and divine law so the old value categories became blurred and fuzzy. The new values are relative to each situation. People say that there are no absolutes and that each situation must be judged on its own merits.

The assault on all social definitions in our society also applies to the family. Last year was the UN year of the family and the theme was "The Family—The Smallest Democracy at the Heart of Society". This statement marks an enormous redefinition in our culture, that a family is a democracy.

Authority used to be categorical with parents giving the orders and the children listening. If the UN had its way, family matters might be decided democratically. I do not know how but that is what the UN suggests.

However since any undemocratic organization is no longer considered to be legitimate in the eyes of the state, this would give the state the rationale to intervene in what it would call an authoritarian family or traditional family. The idea of a democratic family therefore reduces the authority of parents and fundamentally alters the security of the family in relation to the state.

Just as the authority within the family is being dispersed, the definition of family seems to be broadening. Listen to what Hillary Clinton said last year, ironically on Mother's Day. Talking about the family she said: "If it ever did, the traditional family no longer does consist of two parents, two children, a dog, a house with a white picket fence and a stationwagon in the driveway".

The First Lady went on to recommend what she called the extended family to fill the void as traditional families dwindle and to look out for friends, neighbours and fellow citizens as they would members of their own families. She concluded by saying: "When the traditional bonds of family are too often frayed we all need to appreciate that in a very real sense we have all become an extended family".

What the First Lady really said is that the traditional family, the defining boundary between the mom, the dad and the kids is now disappearing and a continuum of other relationships should be added to it. Here a conflict emerges. At the same time as societal definitions broaden, for financial reasons the ability of all governments to grant benefits is being severely restricted. In order to apportion benefits in some rational manner the logical answer for government is to narrow its definitions of who may receive them. Therefore governments should be looking to restrict their definitions, not broaden them.

I am not pronouncing a judgment on whether or not homosexuals should live together. However, I am saying that for the purposes of government benefits society cannot afford to broaden its definitions to apportion benefits to many more new groups, including homosexual unions.

The member for Hochelaga—Maisonneuve may argue that he does not want benefits; he simply wants rights, specifically the right to be recognized as a married couple. He might say that a marriage ceremony does not cost anything but in Canada rights are the door to entitlements.

The concept of entitlement is a very powerful thing in Canadian law. If a person is defined as someone who is eligible to receive unemployment insurance for example that benefit becomes a right, an entitlement and no one can deny it to that person. Marriage brings with it entitlements as well. Once the right has been given there would be no way to hold back the benefits.

There is another reason to decide against this motion. The redefinition of the family would open up a Pandora's box of definition problems for other groups. There is no logical stopping point between a homosexual couple and any number of other unions. If a homosexual couple wants to be a family why not roommates or people living together in group homes? Why not close friends living under different roofs? By surrendering the traditional definition of the family, government would surrender its ability to choose who receives benefits and who does not.

• (1125)

I want to remind members that in practice the concept of the nuclear family is really quite static. As late as 1949 anthropologist George Murdock completed a study of 250 societies worldwide and said: "The nuclear family is a universal human social grouping either as the sole prevailing form of the family or as the basic unit from which more complex familial forms are compounded. It exists as a distinct and strongly functional group in every known society".

A Stats Canada study released last year found that in 1941, well prior to that study, 88 per cent of Canadians were living in nuclear families. In 1991, 87 per cent of Canadians were still living in this husband and wife model. In other words the number of people living in nuclear families or in husband and wife with children families has remained constant for 50 years.

Therefore attitudes toward the nuclear family and real life practice are not changing as much as we are led to believe by activists who manipulate or would like to manipulate members of Parliament and the media. Members should not be stampeded toward redefinition by media criticism and noisy pressure group tactics.

It seems to me that interest groups exercising profound political pressure over several decades have managed to slice up the government benefits pie in ways that are advantageous to them and disadvantageous to nuclear families when the nuclear family is one of the foundations of our society and needs to be strengthened, not weakened.

For this reason I introduced a private member's bill called the auditor general for the family act. This bill would establish a small body with a limit of 20 employees to advise Parliament about the ways it could support and strengthen the nuclear family in Canada. It is interesting that later this week we will be debating in the House the need for the country to have an environmental auditor yet we do not have the same sort of thing advocating on behalf of the nuclear family.

I am proud of the bill I have put together because although society might accept a wide variety of living arrangements it should not be obligated to support every societal arrangement. It must allocate its precious resources to those tried and true social structures which have been common within Canadian society for centuries and are common across literally hundreds of cultures around the world.

The February issue of *U.S. News and World Report* details studies from the states showing that moms and dads together are the ideal parental form. Nothing else is as effective in cutting poverty and fighting crime, teenage pregnancies, suicide and mental illness. Even so, nuclear families continue to be discriminated against even in taxation within our own country. The time has come to expose this government sanctioned discrimination against nuclear families. That is why I hope when my bill does come up for a vote we will be able to deal with that properly.

In closing, I want the member for Hochelaga—Maisonneuve with whom I sat on the standing committee for human rights in the last session to know that I appreciate him and his work on the committee even though we might disagree on this issue. Although I state freely that I have moral reservations about the homosexual lifestyle, I have approached the issue purely on the pragmatic reasons I have outlined. Same sex benefits are not in the public interest.

[*Translation*]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, I am pleased to rise in this debate on the motion put forward by my hon. colleague from Hochelaga—Maisonneuve:

> That, in the opinion of this House, the government should take the measures necessary for the legal recognition of same sex spouses.

Mr. Speaker, I would like first of all to commend the hon. member for Hochelaga—Maisonneuve for having the courage to table in this House a motion that makes us see, in terms of human rights, what is really at stake here and, more importantly, where the members of this House, particularly our colleagues from the Reform Party as well as certain members of the Liberal majority, really stand on this issue.

Several of my colleagues, including the hon. member for Chicoutimi who spoke a moment ago, the hon. member for Jonquière who spoke during the first hour of debate and, of course, the hon. member for Hochelaga—Maisonneuve, addressed the merits of the question of recognizing the rights of same sex spouses, the need to take action and the economic impact of such a decision. I therefore have no intention of repeating what was said as these points were quite aptly made.

• (1130)

I would like to address what appears to be the main issue: Is this a debate on homosexuality or a debate on human rights?

It is true that we are used to hearing our colleagues from the Reform Party talk that way. One would think that Reform members have become all round right wing fundamentalists. We are used to this kind of language, but there is still a limit to what I can tolerate.

When it comes to despicable, shameful and downright unacceptable remarks, our Liberal colleague from Central Nova takes the cake. She was heard making such remarks more than once in this House; first, during the debate on Bill C–41 and again when she spoke on the motion put forward by my hon. colleague from Hochelaga—Maisonneuve. What she said was a disgrace—I repeat, a disgrace—for this House, the Liberal majority and democracy itself.

What is it that the member for Central Nova said and was applauded for by Reform members? In her remarks on Bill C–41, she said, and I quote: "Homosexuality is not natural; it is immoral and it is undermining the inherent rights and values of our Canadian families and it must not and should not be condoned".

And she added: "—a faction in our society which is undermining and destroying our Canadian values and Christian morality—We have the majority—I suppose she is referring to the heterosexual community here. We have a democracy. I am representing in my viewpoint the majority of Canadians".

If this is the kind of society and the kind of freedom that Canada has to offer, and if the member for Central Nova is, as she claimed, speaking on behalf of most Canadians, then it is urgent for us Quebecers to get out of this country.

We take exception to such comments. The debate in this House is on the motion tabled by my colleague, the member for Hochelaga—Maisonneuve, and it has to do with human rights, not homosexuality. If there are members in this House who have doubts as to their own sexual orientation, they should go for some therapy. This is not the place for group therapy. As a democratic institution, Parliament must ensure that democratic values are respected and promoted. I dare say that one of the most important democratic values is the respect of individuals in each and every one of our families.

We all know men and women who live their homosexuality. Do Reform Party members claim that these people should be eliminated, that their most basic rights should not be recognized? We are not saying that the House should pass a motion to promote homosexuality, no more than it should promote heterosexuality. What we are saying is that if two people, whether a man and a woman, two men or two women, decide to live

together, why should they not be treated with respect and fairness in our laws? This is what the debate is all about. This is the issue that we will vote on in a few minutes.

I did not hear many Liberal Party members speak in favour of this motion. Am I to understand that they support the views expressed by the member for Central Nova?

• (1135)

I am putting the question to them. There are a few minutes left and I would appreciate an answer. This is a fundamental debate on human rights. These days, and this is particularly true of Liberal Party members, many are trying to champion individual freedoms in Quebec. I would like to hear some Liberal members address the issue today.

It should also be pointed out that values evolve with time. Let me quote the member for Central Nova. She made these comments in this House, during the debate on this motion. I could not believe what I was hearing. On June 1, 1995, the member said, in reference to the motion tabled by the member for Hochelaga—Maisonneuve: "All these demands are encroaching on and undermining the inherent and inviolable rights of families. Families have existed before the church. Families have existed before the state. Parliament has absolutely no legal or constitutional authority to redefine family, or to enter into the realm of the sanctity of marriage". Given the reasoning of the member for Central Nova, there would never have been a Parliament, since Parliament is there to pass legislation and grant rights to the population.

Again, since Parliament necessarily came after families and after the church, it would never have existed, based on the member's reasoning. As we all know, and as the member for Chicoutimi pointed out just a few moments ago, values change over time. Thirty or forty years ago, there was no recognition of common law spouses. Divorced people were pointed at, perceived within their communities as abnormal, as needing to be watched and reported on. Unwed mothers had to hide away, give birth to their babies in institutions and then give them up. All that barely 30 or 40 years ago. That is how it was in Quebec and I imagine it was the same everywhere in Canada.

The disabled were seen as invalids who generally had to be institutionalized. Seventy-five years ago, Canadian women did not have the right to vote. Fifty years ago that was the situation in Quebec. There was slavery in the United States 150 years ago. Four hundred years ago Galileo was imprisoned for saying that the earth was round. Human kind has evolved since it first appeared on this planet. I trust that this process will continue and that the example of the member for Central Nova will be nothing more than one unfortunate anecdote in the history of humanity.

[*English*]

The Acting Speaker (Mr. Kilger): I remind the House the question will be put at 11.45 a.m. We entered this debate at 11.03 a.m. with 42 minutes of maximum debate time. I want to forewarn the House.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, in speaking to Motion No. 264 I will focus my discussion on three of the concerns I have relating to this motion: the opposition Canadians appear to hold in recognizing same sex relationships; the extremely limited number of people such drastic changes would benefit; the excessive cost both in time and money resulting from the passage and implementation of Motion No. 264.

Much of the debate over this motion has centred around the various financial and legal benefits currently available only to opposite sex couples. The reasoning behind these benefits lies in the desire of all levels of government to protect and preserve the two parent nuclear family.

From biblical times to the present day, the traditional family has been viewed as an ideal family structure. As well, it is the building block of the extended family, the cornerstone of contemporary Canadian life.

The dozens of programs directed toward traditional couples and families have been brought in over many years after careful study and discussion.

• (1140)

Support of the traditional family remains widespread today. According to a recent Angus Reid poll, 68 per cent of all Canadians believe the traditional two parent family is the very best family model in which to raise children. If we talk to educators and counsellors across the country they will tell us that on average the most well adjusted, well behaved children are those who come from the traditional ideal family model consisting of a father, a mother and children.

The sorts of radical changes advocated by the motion do nothing whatsoever to enhance the nuclear family. Rather, they remove the distinctiveness and uniqueness, reducing the traditional family structure from the ideal choice to simply one choice among a range of options. I refuse to stand by and let this happen.

It appears this opinion is shared by the vast majority of Canadians. Again according to a recent Angus Reid poll, a poll conducted for the international year of the family, a solid 60 per cent of Canadians rejected the idea of benefits for same sex couples and 85 per cent objected to paying higher taxes to fund benefits for same sex couples.

As well, a recent constituency poll showed me that 77 per cent of the people in my riding oppose the official sanctioning of same sex couples in the manner the hon. member is advocating. The people of Cariboo—Chilcotin and the people of Canada have spoken out on the motion. They are not saying no to the principle of personal choice and they are not saying no to

members' sexual orientation. They are saying no to full legal recognition of same sex couples.

Motion No. 264 is asking for our opinion as MPs on the issue. Members of Parliament are charged with the duty of representing their constituents and reflecting the will of Canadians in legislation. Canadians have clearly stated their opinion in the matter and I certainly intend to respect it.

We must also be realistic about the number of people the motion and the changes it could bring into being will affect. Often the figure of 10 per cent is cited as if to create the impression of a large invisible minority clamouring for rights. However, numerous studies have placed the percentage of homosexuals within Canada at between 1 per cent and 3 per cent. According to Professor Edmund Bloedow of Carleton University, fewer than 5 per cent of these individuals are in some form of permanent or committed relationship. Sociologists Alan Bell and Martin Weinberg, in their book *Homosexualities*, assert that a mere 1 per cent of people within the homosexual community are committed to a single lifetime partner.

I therefore question the necessity and urgency of debating the principle of same sex couple recognition. The hon. member has shared with the House the normality of same sex couples and how they are virtually identical to opposite sex couples. However, academics have gone on record to argue that committed same sex couples are more the exception than the norm by far within the homosexual community.

Before the House even considers making the kinds of changes advocated by the hon. member, we as members of Parliament have to see proof that committed relationships are the ideal majority preference, not the abnormality in the homosexual context.

To grant the sort of recognition the hon. member is seeking he would have the House use hundreds of hours of precious time, changing every piece of legislation mentioning the word couple and spending millions upon millions of dollars in legal fees, additional payouts, and supplemental benefits. The end result of the motion, when all is said and done, would be either higher taxes, increased debt, or reduced funding for programs supporting the traditional family. These are results Canadians do not support.

Canada has little to gain and much to lose with the passage of the motion. When the matter comes to a vote I intend to heed the wishes of my fellow citizens and my constituents and vote against Motion No. 264 as it now stands.

[*Translation*]

Mr. Ménard: Mr. Speaker, I believe there is a tradition in this House allowing the sponsor to close the debate. If I may I would therefore request the consent of the House to make use of that entitlement, two minutes more.

The Acting Speaker (Mr. Kilger): Since the period of debate is over, the member for Hochelaga—Maisonneuve is requesting the unanimous consent of the House to conclude the debate, for a maximum duration of two minutes. Is there unanimous consent?

[*English*]

Is there unanimous consent for the hon. member to close the debate?

Some hon. members: Agreed.

Some hon. members: No.

• (1145)

The Acting Speaker (Mr. Kilger): There is no consent. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

• (1200)

[*Translation*]

Before the taking of the vote:

The Acting Speaker (Mr. Kilger): As is the practice, the recorded vote will be taken row by row, beginning with the mover. I will then ask the other members supporting the motion on the same side of the House as the mover to kindly rise. Next, the votes of those supporting the motion on the opposite side of the House will be recorded. The votes of those opposing the motion will be recorded in the same order.

(*Division No. 331*)

YEAS

Members

Anawak	Bachand
Bakopanos	Barnes
Bélanger	Bélisle
Bellehumeur	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Brien
Caccia	Campbell
Caron	Catterall
Clancy	Cohen
Copps	Crête

Daviault
de Savoye
Duceppe
Fillion
Gagnon (Québec)
Godfrey
Graham
Guimond
Kraft Sloan
Langlois
Leroux (Richmond—Wolfe)
Marchand
Ménard
Minna
Picard (Drummond)
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St-Laurent
de Jong
Debien
Dumas
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Gauthier
Godin
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Knutson
Lalonde
Lavigne (Beauharnois—Salaberry)
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NAYS

Members

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Anderson
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Brown (Oakville—Milton)
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Collins
Crawford
Deshaies
Discepola
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Gilmour
Gouk
Grose
Hanger
Harper (Calgary West/Ouest)
Harris
Harvard
Hermanson
Hill (Prince George—Peace River)
Hubbard
Irwin
Jacob
Jordan
Kirkby
Lastewka
LeBlanc (Cape/Cap Breton Highlands—Canso)
Lefebvre
Loney
Maloney
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
McGuire
McTeague
Meredith
Mills (Red Deer)
Murphy
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Penson
Pickard (Essex—Kent)
Proud
Reed
Ringma
Scott (Skeena)
Shepherd
Skoke
Speaker
Steckle
Strahl
Thalheimer
Valeri
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Volpe
Wayne
White (Fraser Valley West/Ouest)
Ablonczy
Assadourian
Bélair
Benoit
Bonin
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Brushett
Calder
Chamberlain
Chrétien (Frontenac)
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Culbert
DeVillers
Easter
Flis
Gagliano
Goodale
Grey (Beaver River)
Grubel
Hanrahan
Harper (Simcoe Centre)
Hart
Hayes
Hill (Macleod)
Hopkins
Iftody
Jackson
Jennings
Kerpan
Landry
Lebel
Lee
Lincoln
Malhi
Manning
Mayfield
McCormick
McKinnon
Mercier
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Brien
Payne
Phinney
Pillitteri
Ramsay
Rideout
Schmidt
Serré
Silye
Solberg
St. Denis
Stinson
Szabo
Thompson
Vanclief
Verran
Wappel
Wells
Williams—124

PAIRED MEMBERS

Nil/aucun

• (1210)

The Acting Speaker (Mr. Kilger): I declare the motion lost.

* * *

[English]

POINTS OF ORDER

DECORUM IN CHAMBER

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I have a point of order under citation 501 of Beauchesne's sixth edition and a ruling of the Speaker last June with regard to the wearing of exhibits in the House. I would like to challenge that the member for Halifax is wearing an exhibit which I do not think is proper in this assembly.

The Acting Speaker (Mr. Kilger): I thank the member for Lethbridge for his intervention. Perhaps I might seek the counsel of the table officers for a moment, please.

The member for Lethbridge raises an issue following a ruling made by the Speaker on an issue as we drew near to the summer recess period. I would hope, as an occupant of this same chair, to maintain the consistency of the ruling of the Speaker at that time.

I must state unequivocally that I did not personally view the exhibit, be it a lapel button or otherwise. However, if in fact it drew the attention of a member or others we would hope and call upon members on both sides of the House to be mindful of the ruling of the Speaker in June regarding exhibits, lapel pins, et cetera. The Chair will endeavour to maintain a consistent interpretation of that ruling throughout this session.

• (1215)

I thank the member for Lethbridge for his intervention. I regret I cannot act differently. As I said, I did not personally view this exhibit. I trust that this intervention will remind us all of the ruling in June, that we will be respectful of that ruling and adhere to the intervention of the Speaker.

I thank the member for Lethbridge for his intervention.

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, a point of order.

I believe you will find unanimous consent to have the following motion put to the House without the usual notice and that it be disposed of without debate.

I move:

That the membership of the Standing Committee on Procedure and House Affairs be modified as follows: Arseneault, Guy; Beaumier, Colleen; Boudria, Don; Catterall, Marlene; Duceppe, Gilles; Frazer, Jack; Langlois, François; Laurin, René; Malhi, Gurbax Singh; McWhinney, Edward; Milliken, Peter; Parrish, Carolyn; Ringma, Bob; Speaker, Ray.

And that the associate members of the said committee be as follows: Bélanger, Mauril; Bellehumeur, Michel; Bertrand, Robert; Brushett, Dianne; Cowling, Marlene; Epp, Ken; Gauthier, Michel; Grey, Deborah; Jordan, Jim; Leroux, Gaston; Pickard, Jerry; Plamondon, Louis; Solomon, John and Williams, John.

The Acting Speaker (Mr. Kilger): The House has heard the terms of the motion. Is there unanimous consent?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

AUDITOR GENERAL ACT

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.) moved that Bill C–83, an act to amend the Auditor General Act be now read the second time and referred to a committee.

She said: Mr. Speaker, today with the proposed amendments to the Auditor General Act, I believe the government is making profound changes in the way it does business in order to make sure that its environmental agenda is integrated with Canada's economic agenda.

Today we are also fulfilling a major election commitment of the Prime Minister and the Liberal Party. In the red book we said:

Sustainable development, integrating economic with environmental goals fits in the Liberal tradition of social investment and sound economic policy. Preventive environmental care is the foundation of the Liberal approach to sustainable development.

We also said:

It is past time for the federal government across all departments to act on this understanding by adopting economic and environmental agendas that converge.

Since assuming office we have tried to be guided by this belief. Our approach has been to integrate economic, social, environmental and foreign policies.

I believe we are serious about promoting sustainable development. We are serious about the greening of government. We are serious about getting the federal government's act together on environmental issues. We want to be held accountable for our environmental actions and our environmental planning.

We are serious about these things because Canadians want a healthy country in which we and our children can work to achieve our aspirations.

[*Translation*]

One vital aspect of our approach is to ensure that the environment and sustainable development form an integral part of the decision–making process in all federal government departments.

We are therefore talking about decisions on new policy, new programs and new regulations or legislation and on existing texts. We are also talking about decisions concerning departmental management of buildings, facilities and operations.

Proposals for amendments to the Auditor General Act now before the House will result in much of the integration we are aiming for. They form a key part of the government's response last fall to the initial report by the Standing Committee on Environment and Sustainable Development, entitled the "commissioner of environment and sustainable development".

• (1220)

Under the enlightened leadership of the hon. member for Davenport and with the support of all the members, the report gave careful consideration to the government's commitment in the red book to establishing an environmental function equivalent to that of the auditor general. The committee felt that, while it is vital to audit existing government documents, it is even more important to ensure that environmental considerations are a fundamental consideration in all departmental planning.

The committee called for greater environmental auditing of government policies, programs and legislation. It felt that the government must report to Parliament and to the public on the progress it makes in achieving its objectives.

[*English*]

The committee advocated the idea that the government go beyond simply an environmental auditor and instead establish a commissioner of environment and sustainable development. In these proposed amendments to the Auditor General Act the government will establish a commissioner and I hope meet the objectives of the committee's report.

The amendments do contain one departure from the committee's report and that is to create the commissioner of environment and sustainable development not as a separate position but within the existing framework of the office of the auditor general as recommended in the minority report. This is not in any way to be seen as a retreat from our red book pledge. Indeed I believe it will prove to be an effective way of achieving our promise.

The office of the auditor general has clout. When the auditor general speaks, departments of government listen. It is indepen-

dent from government, it is well respected and it has the expertise, as we saw recently in its initial assessments of environmental auditing of the government.

For all these reasons I believe it can greatly enhance the government's auditing of its environmental performance. There is another advantage to this innovation. Within the work of the auditor general, issues of environment and sustainable development must be directly integrated into economic considerations. This kind of integration is what sustainable development must be about. It is not a separate vertical approach but rather a horizontal approach which must de facto involve every department of government.

What then is the substance of these amendments to the Auditor General Act that I am proposing today?

[*Translation*]

First, as I mentioned, these amendments establish the role of the commissioner of the environment and of the office of sustainable development within the office of the auditor general, as the official opposition has proposed. The commissioner would report directly to the auditor general and would work with him to evaluate the government's implementation of sustainable development policies and practices. The commissioner and the auditor general would also work together in reporting to the House of Commons on the government's practices in matters of ecology and sustainable development.

[*English*]

No matter who the auditor general is, the amendments bind the office of the auditor general and the commissioner for sustainable development to encourage consideration of environment and sustainable development in all official duties. They do that by explicitly incorporating sustainable development and environment into the Auditor General Act. They do it by requiring the auditor general to take environmental effect into account when preparing all reports to the House of Commons.

For the first time an independent commissioner has a mandate and responsibility to follow up and report on what the government is doing or failing to do in meeting its environmental commitments. I must say entre parenthèses that one of the first departments the office of the commissioner will be looking at is my department, the Department of the Environment. We welcome the opportunity of independent public review because we believe it will accelerate the integration of the two key objectives of sustainable development and their integration into the economy.

We know that the blaze of publicity that attends each auditor general's report of financial failings has caused governments in the past to move and to take a different path. We can expect an impact at least as great for reports of environmental shortcomings and that publicity or the urge to avoid it should be a powerful spur to government action, a spur in more ways than one.

• (1225)

At times this may make things uncomfortable for us in government. It may make things uncomfortable for us as ministers and as members of the government but we are prepared and welcome that discomfort if the end is better government for Canadians. Better integration of sustainable development is a key factor in making decisions.

Imagine if we had taken into account sustainable development many years ago when we were making decisions about how to allocate quota of the cod stock. Look at the price we pay today for the thousands of fishermen who do not have fish to catch simply because we did not develop sustainable fisheries, not only domestically but internationally.

I had the privilege recently of participating in an environmental trade mission to the Far East. In discussions several governments were very interested in the concept of the commissioner for sustainable development. They understand, as we understand, the times when a department of the environment is the only department responsible for sustainable development are gone. We need integration through the highest levels of government. I believe the influence of the office of the auditor general and the new commissioner for sustainable development and the environment will be able to deliver that cross-cutting analysis of all government policy.

[*Translation*]

The scope of the amendments goes beyond a mere institutionalizing of procedures for monitoring and reporting on government activities.

More directly, these amendments require all federal departments to take environmental action. They go further than the red book's commitment in that they vigorously promote sustainable development through government activities.

Under the Act as amended, each department has two years to prepare a strategy for sustainable development, to be presented in the House of Commons by the minister responsible. The strategy must be results oriented. It should include the department's objectives and a plan of action to attain those objectives.

[*English*]

In effect this legislation will make every minister a minister for sustainable development. For example, the industry minister will be responsible for the portfolio and also for ensuring the Department of Industry operates in an environmentally sound way. The same is true for the foreign affairs minister, the transport minister and all of our colleagues.

This is a step forward in making sustainable development more than a concept. The departmental strategies will assist the auditor general and the commissioner in not only monitoring government for preparation of their reports to Parliament but they will also serve as benchmarks by which the commissioner and the auditor general can assess each government department's performance in making that shift to sustainable development.

By the way, the auditor general and the stakeholders have already indicated the need for such benchmarks. We need to show where progress is being made and if not, why not. This is not a one shot affair to be undertaken with fanfare and then quickly forgotten. Every three years each department must update its sustainable development strategy and its minister must table the update in Parliament.

[*Translation*]

Thanks to these amendments, Canadians will be able to play their part by ensuring that the government is responsive to expectations with respect to the environment. The Auditor General will have the authority to receive petitions from the public about environmental matters and forward them to the appropriate minister.

The number and purpose of petitions received by ministers and the status of these files will be monitored, and the commissioner will report on the results obtained to the House of Commons.

[*English*]

The amendments also require the commissioner to report every year to the House of Commons on behalf of the auditor general. These reports can focus on anything related to sustainable development, whatever the commissioner feels important enough to bring to the attention of the House. In particular, the commissioner's annual report will show how far governments and departments have gone in meeting the objectives and expectations they have established in their strategies.

However, the annual report will not be the only report to the House of Commons on our environmental performance.

• (1230)

These amendments will ensure that environmental observations continue to be included in the auditor general's report as well. That is important because the auditor general's reports are more general in scope and they will include considerations of effectiveness and the environment. One of the commissioner's duties will be to assist the auditor general in preparing aspects of those reports referring to the environment and sustainable development.

We are wasting no time in moving on our obligations under the Auditor General Act because we are committed to thinking green and ensuring that green government is a central component of the decisions we make as a society. Our action plan accelerating the shift to green practices in government can be reflected in the work of Environment Canada. That plan has five points: green procurement policies that emphasize reduction, reuse, and purchase of environmentally sound products; managing the department's car fleets to reduce emissions by 30 per cent within the next five years; making zero waste a target in our offices; improving energy efficiency and conserving water specifically by auditing the use of water in all Environment Canada buildings.

[*Translation*]

We have already had some major successes. At Environment Canada headquarters in Quebec City, in Sainte–Foy for instance, water consumption dropped by 9.6 million litres annually following implementation of effective ways to save water. This is a good indication of the economic potential of sustainable development.

[*English*]

In Hamilton—Wentworth at the Canada Centre for Inland Waters, which is in the city of Burlington, energy efficiency improvements are lowering carbon dioxide emissions by 5,900 tonnes. That is the equivalent per year to the emissions from 1,500 cars. That means we are saving enough energy to heat 525 homes a year.

Another example is the new guidebook entitled "A Guide to Green Government", which is signed by the Prime Minister and all cabinet ministers, to help federal departments make sustainable development their business. It will serve as ground breaking information for the commissioner when she or he reports on the success departments are having in integrating sustainable development practices. They already have "A Guide to Green Government" signed by the Prime Minister of Canada because he believes that sustainable development is a responsibility we all share. It is a responsibility shared by Canadians.

When governments prepare our strategies we must act in an open and transparent way. We must include groups with expertise, like the national round table on the environment and the economy.

[*Translation*]

Another example illustrates the fact that we take our responsibilities seriously. The Minister of Finance and I received a report from a multiparty task force that was asked to identify obstacles to sound environmental practices as well as effective ways to use economic instruments.

In the last budget, the government followed the short–term recommendations of the task force, and we hope it will do more

in the long term. The response will establish how the government intends to go about using these economic instruments and to develop government policies that are environmentally sound.

[*English*]

A final example of our commitment is the proclamation of the Canadian Environmental Assessment Act last January. I believe the legislation will ensure that environment is formally integrated into the project planning process of government. Through the Canadian Environmental Assessment Agency we are already working hard to make sure that environmental assessments of new government policies and programs are done well.

These are important measures to establish a framework.

[*Translation*]

For years, governments have been talking about sustainable development. We have stated our commitment to this principle, but it has not been easy to ensure compliance.

That is why environmental groups have been asking for a governmental monitoring function and for independent reporting that would focus on the government's environmental activities. They saw this as a way to force governments to keep their word. And just as persistently, our predecessors in government have steadfastly refused to take this route.

[*English*]

We are convinced that these initiatives will have far reaching effects within government and within society. I hope and believe they will move government and the country forward on the path from talking about sustainability to actually delivering in terms of government policies and programs. That is something Canadians can be grateful for today.

• (1235)

I want to particularly thank the parliamentary committee under the chairmanship of the hon. member for Davenport and also the members of the opposition who brought constructive suggestions to the table. I think all Canadians understand that whatever one's political stripe, when it comes to the environment we should be working on behalf of the whole country. Certainly we saw that co–operation in the work of the Standing Committee on Environment and Sustainable Development. If we can carry on like that in government, we will be doing okay.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, here we are back in the House after an exceptional summer during which many things happened.

First of all, in Quebec, under the Parti Quebecois government—in partnership with our party, the Bloc Quebecois, and the ADQ, the Action démocratique du Québec, with the support of many partners from all sectors of society, and in accordance with the strong wishes of a majority of Quebecers—all of us in Quebec are moving toward the referendum, which, I am increasingly convinced, will give us a country, Quebec, in a few weeks. This is what happened in Quebec over the summer. Winds of change have been blowing and are getting stronger every day.

The Prime Minister of Canada, who says he is distinct—and I fully concur with him—mentioned that the coming referendum debate would be fun. With the winds of change getting stronger, the fun expected by our distinct federalist Prime Minister will become serious and I am sure that he will not find it so funny on October 30.

Other events have commanded my attention this past summer. As a result of a labour dispute, workers at Ogilvie Mills in Montreal have been on strike for more than a year. This is the only labour dispute in Quebec that is specifically due to the use of scabs, which is allowed by the Canada Labour Code. Yet, the Minister of Labour, our national aunt, a first class switch–hitter and former critic of the federal government, promised several times that she would resolve this intolerable situation. The leader of the No side in Quebec continues to say no to these Quebec workers.

Another major issue that is of particular concern to me is the raising of the *Irving Whale*. I would first like to draw a parallel between this issue and the bill before us today, in the hope that creating the position of Commissioner of the Environment and Sustainable Development will help us avoid a similar mess. Let us hope that the federal commissioner can get involved in such federal matters in order to alert decision makers and, if necessary, stop or reverse decisions like the one to raise the *Irving Whale*.

This salvage operation, which was scheduled for the month of August, could be described as a total fiasco. In fact, not only the operation itself but the whole matter is a dismal failure. Everything, from the decision making to the environmental assessment, the awarding of the contract and the job itself, was done in an incompetent and irresponsible fashion. The first one to blame for this fiasco is the Minister of the Environment who, for reasons I would describe as very partisan, took serious decisions without proper thought. The minister's partisanship on this issue is obvious. Just think back to the announcement she made in this House, saying something like: "Twenty–five years have passed since the barge sank, and nothing has been done. But I, just 90 days after coming into office, made the right decision".

We now have proof that the minister's decision was in fact a botched job. The barge is still lying on the bottom of the Gulf, more than $12 million was spent—taxpayers' money of course, the procedure selected is increasingly questioned, and a Federal Court judge even requested that she redo her homework as far as environmental assessments regarding PCBs are concerned.

Her botched and dicey decision could have caused irreparable damage to the environment. This partisan political game she has played is inexcusable.

• (1240)

This threat that hung over the Gulf of St. Lawrence throughout the month of August was a matter of continual concern for those directly involved.

Speaking of those directly involved, the hon. member for Bonaventure—Îles-de-la-Madeleine has been conspicuously reserved over the summer with his dear constituents who, all summer long, were completely shattered by this decision to lift the ship in that manner.

The media actually covered the operations, that they questioned on many occasions. The work was conducted haphazardly and without any degree of certainty. In a nutshell, it smacked of amateurism, and that had many people worried.

I certainly hope that the commissioner of the environment and sustainable development, whose position Bill C-83 seeks to establish, will have a say in this kind of decisions, which directly threatens the environment. The commissioner will be in a position to monitor the whole decision making process.

In the case of the *Irving Whale*, the process followed was seriously flawed, thus preventing an appropriate decision, that is the best possible one. Indeed, the process followed regarding the *Irving Whale* was flawed in several ways.

At the end of 1992, two studies commissioned by the Coast Guard and by the Department of the Environment recommended pumping the cargo out of the sunken wreck. Marex and CEF both concluded that was the safest technique.

However, the government ignored the recommendations made in studies which it commissioned. Instead, the Minister of the Environment relied on a third study commissioned by an independent organization, the Ship-source Oil Pollution Fund, which recommended lifting the barge without emptying it and moving it to a safe place before pumping the oil out.

It should be noted that this study conducted by London's Murray Fenton firm used the two above-mentioned studies as its main references. How could this third firm go against the findings of the other two if it used their studies as its basic reference? At that stage, the process was very twisted to say the least. All this does not seem very logical.

What we can figure out however is the logic relating to the costs of the operation. In spite of the reassuring words of the minister, it is clear that the costs of the operation unduly influenced the decision making process. Indeed, the government chose the least expensive solution. Bloc Quebecois members and environmental groups have always said that the government should first pump the oil out of the barge.

Public hearings and consultations were held following the minister's decision, but the whole process was obviously a sham. Surely, the commissioner of the environment will be able to take a close look at such decisions.

Then we found out that PCBs were present in the wreck. The government says "What a surprise—we did not know." Yet page 3 of chapter I of the Marex report submitted to the government in December 1992 states that the capacity of the heaters "was transmitted to the cargo via a heating fluid (Monsanto MGS 295S) and heating coils in each tank". Thus the presence of PCBs was already mentioned in the 1992 documents.

So, in June 1995, another environmental assessment and consultations were carried out, this time not only fabricated but hastily fabricated at that. The outcome: a federal court judge issues a stop order and makes the Minister of the Environment do her homework all over again, this time conforming to her own department's statutes and regulations. That is something else, Mr. Speaker. What a blow to the pride of our Minister of the Environment, who had boasted only a few months earlier that she had settled the whole thing.

So the work was stopped by an injunction, work that had been delayed continuously and had already used up its budget. They say that it would cost between $150 000 and $180 000 a day to go on with the project.

• (1245)

And while all this flagrant bungling was going on, those in charge of the Coast Guard and Environment Canada were telling us "No problem. This is a well-oiled operation". Never were words so well chosen, for the whole danger of this controversial operation lay in its "well-oiled" nature.

We are continuing to follow this issue very closely and are anxious to see what the minister's next steps will be. I have drawn a parallel between this issue and Bill C-83, an act to amend the Auditor General Act, since the purpose of that bill is to create a position of commissioner of the environment responsible for overseeing situations like that of the *Irving Whale*.

It gives me pleasure to take the floor, because this bill arises from the dissenting opinion expressed by the Bloc Quebecois in the May 1995 report of the Standing Committee on Environment and Sustainable Development on the commissioner of the environment and sustainable development.

As a result of the committee's work on this subject, the Bloc members proposed three essential criteria in the creation of the position of environmental auditor. They are as follows. First, it is the government's responsibility to establish the policies and the auditor's to examine them. Second, we must avoid creating more organizations with similar mandates. Third, economic and environmental elements must be intrinsically linked.

These criteria gave rise to our party's proposal that the mandate of the auditor general of the environment be given to the office of the auditor general along with the resources it requires to effectively carry out its role.

That is what we proposed at the time. Our proposal was influenced in large measure by the testimony given by the auditor general, Denis Desautels. In testifying before the committee, Mr. Desautels indicated that his office performed the audit duties that would constitute the prime responsibilities of an auditor general of the environment. In other words, the auditor general indicated that he was already involved in environment issues and that he spent $4.5 million on them annually.

He also felt that his office could take on full responsibility for examining environmental and sustainable development matters with an additional appropriation of $4.5 million—making a total of $9 million. The route proposed by the auditor general struck us as the most sensible, simple and effective one to take. The Bloc Quebecois therefore proposed this route, and with Bill C–83 the government confirmed that we were right.

Most committee members were in favour of increasing structures. The Liberal and Reform members advocated, at one and the same time, a new body to be known as the office of the commissioner for the environment and sustainable development and the retention of the auditor general's duties in this area. Liberals and Reformers recommended an office of the environment and of sustainable development, with a budget of $5 million and staff of 30 professional and 15 support employees.

Also as mentioned in recommendation No. 17 of the report, they wanted to congratulate the auditor general on his initiatives on the environment and urge him to keep up the good work. The committee also recommended amending the Auditor General Act so he would have the appropriate instruments to do his job.

Liberal and Reform Party members on the committee were in favour of a new, specific structure, while maintaining and enhancing another structure with the same responsibilities. This would have been inconsistent, inefficient and very costly. Fortunately, the Bloc made its own proposals, and the Liberal minister listened to us, instead of acting on the recommendations of her own members which would have created duplication and overlap within the federal government.

I am glad that the Bloc and the auditor general opted for a common sense approach in this matter.

I think the Liberal and Reform Party members on the Standing Committee on Environment and Sustainable Development do not have a clue what common sense means and what the environmental facts are, and I am referring to problems out there that must be dealt with quickly and effectively.

Another instance of this lack of realism on the part of Liberal and Reform members on the committee could be seen in the report on the quinquennial review of the CEPA, the Canadian Environmental Protection Act.

• (1250)

Liberal and Reform Party members were convinced that it was absolutely necessary to further centralize authority in Ottawa in order to protect the environment. In this report, members opposite and next to us raised several considerations to justify increased centralization of authority in environmental matters. They referred to the growing globalization of environmental problems, the issue of national interest, the increasing importance of international trade and an ecosystem based approach as so many reasons for suggesting that the federal government expand its role and take full responsibility for environmental protection.

With these proposals the committee, in its report on the CEPA—by the way, the Bloc did not agree with the report—ignored the fact that the provinces already had most of the responsibility in this area. The committee, minus the Bloc, takes its cues from the government. They speak the same language, the language of centralization. The federal government wants more power, steadily encroaching on areas that, either directly or indirectly, come under provincial jurisdiction.

This encroachment by the federal government obviously leads to legislative and regulatory duplication which has the effect of setting back and undermining environmental protection. This duplication also causes some reluctance and apprehension among developers who no longer know where they stand. It is not very good for the economy. And this while members opposite keep talking about the economy and creating jobs.

With its increasing propensity for minding the business of the provinces the government is hardly stimulating the economy. In fact, it makes things increasingly difficult for its beloved economy. This is very disturbing. And it is very disturbing for an economy that is supposed to produce all those jobs promised by the Liberals and for the environment, which is in dire need of being protected and renewed.

Is there a way out of this extreme centralist approach? No, not unless we take matters into our own hands as we are about to do in Quebec on October 30. Federalism as such is centralizing, and I would say very much so. This excessive centralization and the manifold duplications it generates means established businesses have to work harder in order to be heard by both levels of government, face double the paper work and are obliged to meet the requirements of two levels of government.

One convincing example of the federal government's duplication involves the Canadian Environmental Assessment Act, which came in effect last January. Environmental assessment had been, until then, essentially a matter of provincial jurisdiction, had it not? The federal government's unilateral action turned the rules of the game completely around. We in Quebec have been doing environmental assessments for more than 15 years. We have developed an expertise and have established a reputation. With its legislation, the federal government wrecked everything. Worse yet, the federal government did not incorporate any of the amendments proposed by Quebec or any of the other provinces.

The repercussions of this affront to Quebec and the other provinces on the CCME, the Canadian Council of Ministers of the Environment, were significant. While the federal minister was inviting her provincial counterparts to discuss harmonization, the events of January 1995 cooled things off considerably.

According to some sources, the climate between the minister and her counterparts remains unsettled. The federal minister would appear to be acting in a somewhat cavalier fashion by showing little concern for the provinces or for the environment. But what do you expect, Mr. Speaker, the minister is much more a political creature than an environmentalist. She is also much more of a federalist at all cost, a vehement centralist, than a decentralist.

Her partisan instincts lead her to unacceptable behaviour that raises a lot of concerns about the environment. She will certainly not effectively manage the environment by treading on the backs of the provinces—quite the contrary. The provinces, and Quebec in particular, have a considerable lead in this area. The minister should respect this and stop meddling in areas of jurisdiction already occupied, and well occupied at that, by the provinces.

• (1255)

If the new Commissioner of the Environment and Sustainable Development looks carefully at the federal government's intrusion into areas of provincial jurisdiction, I am sure that he will focus on how overlap and duplication is detrimental to sound management of the environment.

To get back to this bill, the minister proposes to amend the role of the auditor general by giving him the specific mandate to look into matters related to the environment and sustainable development. As I said earlier and as he himself pointed out during hearings, the auditor general has already opened the door by setting aside $4.5 million a year for this purpose.

The bill provides for the appointment by the auditor general of a senior officer to be called the Commissioner of the Environment and Sustainable Development, who will perform this specific task.

One of the commissioner's duties will be to submit an annual report to the House of Commons on behalf of the auditor general. This report will deal mainly with two things: first, the extent to which departments have met the objectives and implemented their plans concerning the environment and sustainable development; and second, a record of the petitions received and their status.

What is new in this bill is that it requires the new commissioner to do two things: one, to ensure that category I departments table a sustainable development strategy within two years after this bill comes into force; two, to open a door by allowing citizens wishing to be heard to file petitions calling for action on the environment and sustainable development.

These two initiatives seem worthwhile in principle. In reality, however, one may wonder how much actual impact they will have.

Let us have a closer look at this new opportunity for people to file petitions with the commissioner.

This is a very simple procedure. The petition must be filed within the specified deadline; certified copies must be sent to those directly concerned; finally, the department responsible must provide a response. The procedure will be implemented without problems.

What I question though is the effectiveness of such petitions. Is this bill merely and stupidly putting in place a mechanism by which petitions can be tabled or will it really enable the people to have an say and to effect change?

In light of what is achieved through the petitions we table in this House, allow me to doubt their ability to effect any changes. The government's will to respond by taking swift action is seriously lacking. Petitions are given only trivial answers, based on facts, statistics or results and in no way sway the government or compel it to do anything. Petitions are not taken seriously by the government.

What will become of petitions to the commissioner of the environment? They will have the same fate as the rest of the petitions tabled in this place, since they will be answered by the same departments. There is no doubt that the government should be forced to pay greater attention to this means of applying pressure that the taxpayers have. Greater merit should be recognized to petitions.

I can remember the petition I tabled in this House regarding the *Irving Whale*. On September 23, 1994, petitioners from the Magdalen Islands asked that leaks be stopped and that further public, and particularly more transparent, hearings be held on this issue. To no avail. The barge continued to leak and is still leaking as we speak, but no further hearings were held.

The Minister of Transport's answer was flat and did not take into account the concerns expressed by the people. Petitions are useless since governments pay little attention to such demands.

This is highly regrettable and it aggrieves the people. On the other hand, while not signing any petitions, lobbies are paid much more attention to by ministers. The Liberals opposite are particularly lax in that area. Recent decisions clearly show that lobbyist and minister go hand in hand, while petitions amount to nothing.

This concludes my remarks on the petition aspect of the bill. Let us now turn to the other key element, namely the development and tabling of sustainable development strategies by the departments.

I immediately wonder about the two year time limit for tabling these strategies. What will the commissioner do during those two years, since his job is to make inquiries and monitor the implementation of departmental action plans and report annually on the extent to which objectives were met? What is the commissioner going to do for two years? This measure means that, to all intents of purposes, he or she will have nothing to audit for three years, assuming that the initial report will be on the first year the strategies are implemented.

• (1300)

Let us now examine these sustainable development strategies. First of all, it needs to be pointed out that they replace the green plan, that famous green plan which held such promise, but has passed on after years of neglect by the government.

We in the Bloc see this new federal government approach as another serious threat of encroachment and intrusion into provincial areas of jurisdiction. This concept of sustainable development which the federal departments are to develop concretely into plans raises some legitimate concerns. Does not sustainable development concern resources, an area of provincial jurisdiction?

Recent federal government actions, including the Canadian Environmental Assessment Act, as well as the Liberals' ultra-centralist intent in the report on the CEPA, are clear evidence to us of this tendency to interfere.

The federal government, under the guise of ecologizing the operations of each department, is actually implementing an overall result–oriented sustainable development strategy. On first view, one might believe this to be an initiative with exclusively federal effects, but when the description and orientations of this initiative are examined, it can be seen that it will be able to influence all of the provincial governments directly.

This initiative goes much further. By introducing sustainable development, each department has an opportunity to take responsibility for certain areas under federal jurisdiction. To achieve the desired results, the federal government has identified certain objectives for sustainable development which it intends to promote. For instance, it wants to ensure that the development of renewable and non–renewable resources, many of which, I may remind you, are exclusively under provincial jurisdiction, is sustainable.

Even if the provinces play a major role in achieving these objectives, the federal government has clearly indicated that it will emphasize communications and consultations with individuals and the private sector. It has only hinted at the possibility of joint management agreements with the provinces and aboriginal communities.

This approach, including implementation of the concept of sustainable development and an emphasis on relations with individuals and the private sector, may be seen as a threat to the provinces. A very subtle threat, which nevertheless reveals the cavalier approach of a federal government that uses this diversion to satisfy its hunger for centralism. In fact, the federal government increasingly resorts to this kind of strategy to get around the provinces and encroach on a number of areas.

As far as the environment is concerned, this approach is both unfortunate and dangerous. The federal government's record is not outstanding in this respect, and centralism does not tend to produce quick results where they are needed. We must not forget that the environment is out there, not in the offices of Ottawa's bureaucrats.

We think that before making any claims that they can do a better job, federal departments should start by complying with provincial legislation. The environment is one area where the provinces played a very active role well before the federal government did so. In fact, the Constitution confers on them a role that is more important than that of the federal government which, over the years, has used and abused its spending power in provincial jurisdictions. Ever since the federal government broke this delicate balance in the middle of the eighties, the result has been overlapping jurisdictions, conflicting objectives and costly duplication.

Fortunately, in Quebec, on October 30, Quebecers will decide to make their own country. Our environment will no longer be at the mercy of the federal government and will be able to breath easier.

[*English*]

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, before I get into talking about the bill I would like to make a few comments about the previous speaker, my colleague from the Bloc.

I find it most interesting that the Bloc would want the federal government to bow out of environment on the federal arena. However it is quite prepared to accept Canadian tax dollars to raise the *Irving Whale*. This is part of the double message, the double standard. I expect it is some of the nonsense that we will

have to put up with over the next six weeks from Her Majesty's Loyal Opposition.

• (1305)

A similar issue is pensions. Bloc members want out of the country but they sure do not want out of the pension plan. They are quite prepared to accept it.

To get back to the bill we are talking about today, I am pleased to have the opportunity to speak on the bill to amend the Auditor General Act. I want to make clear from the outset that the Reform Party supports efforts that balance economic and environmental considerations to maintain a clean and healthy environment for future generations.

We are into the third session of the 35th Parliament. Yet to date the government has been visibly lacking in its environmental initiatives. A recent study by the National Centre for Economic Alternatives ranks Canada as the second worst in deterioration of land, air and water. We have seen little action from the minister to address this situation. We have heard plenty of rhetoric but have seen very little action to address key environmental concerns.

Bill C–83 is one of the very few initiatives the Minister of the Environment has announced and it is far from revolutionary. Bill C–83 amends the Auditor General Act to create the position of commissioner of the environment.

The commissioner of the environment was one of the initial undertakings of the standing committee. This bill comes to the House after a lengthy process of consultation with witnesses before being sent to the minister. During committee I listened with members on both sides of the House to witnesses who came forward with recommendations on what role and which responsibilities the new position of an environmental auditor general should take.

At the end of the hearings the recommendations were consolidated and I worked with members of the committee to sort out and weigh the various recommendations. We put together a standing committee report of recommendations which was then forwarded to the Minister of the Environment last year.

It was a long process of deliberation. I commend the many members and witnesses who contributed to the process. I am also pleased to say that for the most part the members of the standing committee on the environment were able to put aside partisan politics to work for a common goal: to establish the role of a commissioner of the environment.

It is unfortunate, however, when so much time, effort and expense goes into these studies and committee reports that the end result is barely acknowledged by the minister in the resultant legislation.

Representatives are flown in from all over the country at taxpayers' expense to present their concerns to the committee. One of the roles of standing committees is to listen to and consult with people on government initiatives and bills before the House, a role which has been widely abused by this and previous governments. It is unfortunate that the process of consultation under this government is somewhat meaningless.

Despite any decisions made by the parliamentary committee or any feedback from Canadians while the government is on the road supposedly consulting with people, the bottom line remains that decisions are still made behind closed doors at the whim of the cabinet. It is particularly disappointing to note that very little of Bill C–83 reflects what was contained in the recommendations of the parliamentary committee presented to the environment minister last year.

Why have a lengthy consultation process when the minister is going to ignore the results?

If the bill is representative of the minister's initiatives on the environment it speaks volumes. Members on both sides of the House proposed a number of excellent recommendations regarding the commissioner of the environment, most of which the minister chose to ignore in the bill.

When the Canadian public has had the opportunity to examine the bill they will conclude that it accomplishes particularly little to protect the environment. It is little wonder Canadians have criticized the minister for coming up short on her accomplishments. Clearly this legislation is not the answer to environmental concerns.

• (1310)

Canadians are waiting for the government to take charge and pass reasoned, meaningful legislation, not bills like this one which is completely lacking in substance and will do very little to change the status quo on environment.

It should be noted that the commissioner of the environment was not only a committee recommendation but also a Liberal red book election promise which the minister again fails to deliver.

The environment committee made several recommendations for the office of the commissioner of the environment, 17 in total. The Reform Party supported the initiative. Yet few of the committee recommendations have been followed through in the bill which barely resembles the intent of the parliamentary submission presented to the environment minister.

For example, the standing committee recommended that the office of the commissioner of the environment and sustainable

development be established by new and separate legislation. However the bill is an amendment to the Auditor General Act. The bill is neither a new nor a separate piece of legislation.

The government promised in its red book that it would appoint an environmental auditor. The bill does not do that. It creates in legislation the position of a clerk who reports to the auditor general, a clerk with a limited role and with very few powers, not anything remotely close to an independent environmental auditor.

The standing committee on the environment recommended that the government establish a new office designated the commissioner of the environment and sustainable development. The legislation does not establish a new office.

The commissioner of the environment is clearly not an independent environmental auditor general but a clerk reporting to the auditor general who will assist with environmental issues. It is not independent. It is not powerful. It is a clerk.

I am sure the auditor general already has several assistants to help him with environmental issues. I question the need to entrench the position in legislation, especially given the limited mandate spelled out in the legislation. The government has severely reduced the scope and extent of the position by establishing the commissioner of the environment within the offices of the auditor general in a position.

I can question how much if any the new position will actually change the status quo. The auditor general already responds to environmental issues. Now he has his new clerk entrenched in legislation to help him with the issues. This does not change anything.

The red book promised the environmental auditor general would report directly to Parliament. This was also recommended by the standing committee. Again the government has reneged on its promise. The bill comes up short of fulfilling this promise. Bill C–83 proposes the new assistant to the auditor general will report to the auditor general, not to Parliament as promised. When the commissioner reports to Parliament it is through the auditor general, not as an independent body.

The committee also recommended that the commissioner submit an annual report to Parliament. The bill proposes that the commissioner's annual report to Parliament will be on behalf of the auditor general who does the same thing. Appointing an assistant to speak for the auditor general hardly changes the status quo.

Another recommendation from the standing committee on the environment which the minister has ignored is that all reports produced by the commissioner be referred automatically to the Standing Committee on Environment and Sustainable Development or to one or more parliamentary committees if the subject matter of the report makes it appropriate or necessary. Again there is nothing in the bill to support the committee recommendations.

Within the duties of the commissioner of the environment the only reports the commissioner will be making to Parliament on behalf of the auditor general will be related to the status of environmental petitions brought to the attention of government and the status of departmental sustainable strategies. The bill does not empower the commissioner of the environment to report on much more than these two items.

In addition, the role of reporting on departmental sustainable development strategies is not a new initiative of the government. It was tried before when the last government attempted to establish an office that would report on the status of departmental sustainable development strategies. This office was called the office of environmental stewardship. Its mandate was to carry out environmental audits of federal departments and agencies in co–operation with the office of the comptroller general. The details and funding arrangements were all laid out in the green plan. This April we learned that the plug had been pulled on the green plan. It appears that this same office created by the last government has been dismissed by this government and reintroduced as a new initiative. The games they play in the tired politics of the old line parties.

• (1315)

The committee also recommended that the commissioner be granted in legislation adequate access to information powers commensurate with his or her mandate. Given that the mandate for the commissioner is so weak clearly explains why the bill contains no such recommendations.

The minister also completely ignored the committee recommendation for the commissioner to have the discretionary powers to appoint individuals to one or more advisory committees to assist the office in the performance of its duties. This committee recommendation has been completely ignored.

The committee also recommended that legislation to appoint the commissioner should be with the approval of Parliament. Instead the bill allows the auditor general to appoint the commissioner in accordance with the Public Service Employment Act. Actually, this is one recommendation of the minister which merits serious consideration because in this instance it may eliminate the potential for a patronage appointment, an area where this government has been so free. By allowing the auditor general to appoint a commissioner of the environment the position will be more at arm's length from the government.

There is nothing in the bill that outlines the term or length of office for the commissioner. The standing committee recommended that the position be held for a term of five years which may be reviewed only once, in other words a 10 year maximum. The position would have a specified length of term. By allowing the position to be renewed only once would prevent a monopoly

of the position and would allow fresh new ideas to be injected into the position on a regular basis.

There is nothing in the bill which addresses the recommendation that the commissioner be paid a salary equivalent to that of a judge of the supreme court. However, the salary of course is based on the role and mandate of an independent, effective position. Given the measly powers and responsibilities of the position, such a salary clearly is not warranted.

There is nothing in the bill that subjects the commissioner's office to a parliamentary review. The committee recommended that the office be subject to a review every five years by Parliament. This would allow members of Parliament to evaluate the effectiveness and usefulness of the position. It is clearly evident that the minister has failed to carry through on this recommendation in her bill. Such a clause could be contained in the bill to ensure accountability. If the role is not effective or necessary after five years a new government may wish to review and reconsider the position. I suggest the government consider this.

The red book also promised that the environmental auditor general would have "powers of investigation similar to the powers of the auditor general". Yet in this bill the responsibility for reporting on environmental issues remains with the auditor general, not with a new body. The only powers of investigation that the new commissioner on the environment will have in the proposed legislation will be those designated by his boss.

The government is backtracking on another red book promise. Obviously, as assistant to the auditor general the commissioner of the environment does not have the same powers as his boss to whom he reports. Whether issues are reported through the auditor general or the auditor general's assistant, the commissioner of the environment, it is still up to the auditor general to decide whether action will be taken.

The government is not bound to any of the recommendations of the auditor general nor is it required to make a formal response to the auditor general's report. As a result—and we are well aware of this—many recommendations in the auditor general's reports have been ignored for years by governments which would rather not recognize the problems or act on the solutions.

The Liberal red book criticized the Conservatives for their lack of action in the area of environmental assessment, yet this government refuses to conduct a full environmental assessment of critical environmental hot spots such as the Sydney tar ponds in Nova Scotia. It appears the gap between rhetoric and action is as evident with the Liberals as it was with the Conservatives.

• (1320)

The Minister of the Environment has complained that she cannot perform her job without public pressure. Why then does the minister not create a real position for the commissioner of the environment with powers to put some pressure on her department which she is having so much difficulty handling?

The standing committee proposed to create a separate, independent office of the commissioner of the environment that would have real powers and would be responsible to report directly to the House. The legislation fails to meet the fundamental goals of the standing committee and of the Liberal red book of election promises.

It is high time the government came clean on its election promises. The changes proposed in Bill C–83 to amend the Auditor General Act are simply cosmetic. It is all just a big show from the Liberals in an attempt to fool the public into thinking they are actually doing something when clearly they are not. The bill is nothing but fluff. It accomplishes little.

The government made a number of promises to Canadians. It is becoming very apparent that it cannot or has no intention of keeping promises such as establishing this position. It is time the government came clean on its agenda. If government is going to encourage others to clean up their act, it is time it started putting its own house in order.

From the failure of the government to establish a real environmental auditor general, or a real ethics commissioner for that matter, to the failure of individual members across the way to resist the draw of the pension trough, the picture is clear: the government has no intention of keeping many of its promises to the people of Canada.

The Acting Speaker (Mr. Kilger): We will now move to the next stage of debate where members will be entitled to a maximum of 20 minutes in their interventions subject to a 10–minute question or comment period.

[*Translation*]

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, to begin with, I would comment very briefly on a remark by the hon. member for Laurentides, who, when speaking on behalf of the official opposition, accused the minister of partisan politics. I could not help noting the irony of her remark in a debate on an environment bill when she talked about the Quebec referendum and the Ogilvie mills, of her lengthy remarks concerning the *Irving Whale* and of course of the usual litany on centralizing federalism with all its sins and evils.

Even more ironically, while accusing the minister of partisan politics, she herself admitted that the minister chose the option put forward by the Bloc Quebecois as the official minority, rather than the option put forward by the Liberal majority.

I believe that Canadians, including Quebecers, want to set aside this sort of unproductive debate. Everyone agrees that environmental concerns transcend political referendum disputes and so–called centralizing federalism. For this reason, I am going to avoid talking about this sort of thing and keep to the subject of Bill C–83.

In 1987, I had the honour of being a member of the Canadian delegation to the United Nations when Prime Minister Brundtland submitted her famous report on the environment and the economy, known today as the Brundtland report. She was followed at the podium by the president of the Maldive Islands, Mr. Abdul Gayoom, who remains the president today.

The Maldives are an archipelago of some 100 islands south of India in the Indian Ocean. Describing his country in the words of the great Norwegian explorer Thor Heyerdahl as jewels on a cushion of blue—the Indian Ocean—he said that his country and its magnificent islands were not hit by storms and adverse weather conditions until the 1980s. They were inundated by enormous waves in 1984 and 1985 and then again in 1986 and 1987—for the first time in their history. These waves became increasingly violent, bringing about distress, destruction and casualties. Everybody there was asking the representatives of industrialized countries: "Do we, innocent people of the Maldives, have to pay the price for the destruction you caused, for the harm you did to the environment, for the greenhouse effect, for all the environmental problems for which we are totally blameless and for the consequences of your actions?"

• (1325)

I submit this is a fundamental problem and that, as a rich country with unparalleled natural resources, we must set an example for the world, especially for the developing countries which have to endure the consequences of the actions taken by industrialized countries. We must show the world that sustainable development is more than just words.

[*English*]

We have to start practising what we preach on the international scene. Sustainable development must never be just a catchword. It must never be that kind of convenient buzz word that makes us escape from the realities of having to integrate economy and environment in a realistic and true fashion.

If the federal government does not practise sustainable development in all its day to day doings in its act of governing the country then how can it expect its citizens to do the same? How can it expect municipalities and provincial governments to practise sustainable development if it does not show the example itself?

This is why in 1993 in the red book the Liberal Party of Canada devoted a total chapter on sustainable development. One of the key parts of that chapter was to install a commissioner of the environment. In the red book the idea was such that it be linked to the office of the auditor general of the environment.

I am very pleased this is becoming a reality with Bill C–83. We will become the second country in the world to install a commissioner of environment and sustainable development after the leading example of New Zealand several years ago.

This new office will have significant powers. Beyond the significant powers of the office, the very existence of the office of a commissioner of environment and sustainable development sends a powerful signal not only within the government itself but beyond the government into the reaches of Canadian society. They now know there will be somebody there, a monitor, an ombudsman, who will devote his or her duties to the environment and sustainable development in making sure the government itself practises what it preaches.

[*Translation*]

The Standing Committee on Environment and Sustainable Development held hearings for several months on that topic. Our colleague from Davenport really deserves to be congratulated for his sensible and really inspiring leadership. In fact, our committee had recommended that an independent commissioner of the environment and sustainable development be designated, a position similar to that of the Commissioner of Official Languages, but the government went with the suggestion made by the official opposition, to set up a commissioner of the environment and sustainable development within the office of the auditor general.

Despite the fact that the government did not choose the option recommended by the committee, I think—even though I was a member of the committee—that it is a major step forward. Today, with Bill C–83, we are creating this position of commissioner, which becomes irreversible. With the appointment of the commissioner, two years from now each government department will be required by law to table in the House a sustainable development strategy.

• (1330)

These strategies will have to be updated every three years and the revised strategies will also have to be tabled before Parliament. So, Parliament will be accountable to the Canadian people for all these sustainable development strategies in the future.

[*English*]

It is a tremendous departure for the Canadian public that in the future every ministry of government will have not only to produce a strategy of sustainable development but also be responsible to the commissioner for its being monitored, its

being followed up very closely to ensure that it really responds to the reality of truly integrating economy and environment in our governance.

Further, the public can now intervene with the commissioner. The public can send petitions to the commissioner if it does not agree with government policy or government programs relating to environment and sustainable development. The commissioner will transmit the petitions to the ministers and the ministers will be bound by this bill, Bill C–83, to respond to the commissioner within a reasonable delay so that the public at large will feel very truly that in the commissioner for environment and sustainable development it has an ally, an ombudsman, somebody it can turn to at all times and in complete open freedom.

[*Translation*]

The commissioner will have to table before the House an annual report to Parliament. This annual report will give the status of each department regarding its sustainable development strategy.

[*English*]

Furthermore, the report of the commissioner will have to give details of all the petitions he has received from the Canadian public, what action has been taken, and what response the ministers have given in regard to these petitions.

The key issue here is if this commissioner of environment and sustainable development will be truly independent and have the necessary powers, autonomy, independence to ensure that he or she is listened to and that the public feels that through this office it has a voice and a say.

The best answer to this is that we will now have to amend the law of the auditor general. I think all Canadians are fully satisfied to date about the independence, the autonomy, the openness of the auditor general to freely criticize government when he or she feels that criticism is deserved and that criticism is carried far and wide into the land and the government pays heed. I am convinced that it will be the case with the commissioner for environment and sustainable development and that the commissioner will have the full independence and autonomy that he or she deserves on behalf of the Canadian public.

We have just undergone work on behalf of the committee on the environment and sustainable development under the leadership of the member for Davenport on a massive review of the mainstay of Canadian environmental legislation at the federal level, the Canadian Environmental Protection Act. This review has touched on the various aspects of what must guide the environmental cause in the future: the fact that we cannot govern ourselves now in little compartments, that ecosystems mean that everything is connected with everything else and we human beings are connected with the ecosystems, that without this interconnection, this interdependence of all the elements that form the ecosystems and bioregions, economic development or profit is impossible. You cannot plant trees in a desert. You cannot use water if the stream has dried up.

• (1335)

We who are blessed with natural resources beyond compare have a duty to guide ourselves in the future so that instead of short term we look to what our aboriginal brothers and sisters say: seven generations ahead. We really truly believe, as they do, that a healthy mother earth provides a healthy quality of life but a sick mother earth makes us sick as well.

I believe that the CEPA review, having put out all these new ideas into the realm of the Canadian public today, will see in the office of the commissioner of environment and sustainable development a tremendous opportunity for these ideas gaining ground in actual governance inside the federal system.

I believe the time has come for us to realize that we cannot be the society of waste we have been. We cannot continue to be the society of overuse of energy. We must live differently. We must find new ways of production. We cannot toxify and harm our natural resources forever without suffering the consequences. This is why this bill is so important to all of us today.

I was listening to the official opposition with all its litany of partisan politics about the referendum. I have always believed and my experience has shown me, as a politician in Quebec and also at the federal level, that the environment is the greatest binding thread among people because it knows no colour, it knows no race, no creed, no physical boundary. The environment is all of us. It is life itself. It is whatever sustains life and living. It is a tremendous binding force for good.

I think at this time especially we should reflect on the tremendous binding force the environment can be among Canadians. If we really truly believe in the environmental cause, in quality of life, in the seven generations, then we will back Bill C–83 with great conviction. I am convinced that it will change the way we govern ourselves. It will lead to change in the way we act and live as citizens so that we will look to our natural resources to be there not only when we ourselves grow old but for the generations to come.

It is with great conviction that I will vote for Bill C–83.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I am pleased to be able to be here today to take part in the debate and listen to the hon. parliamentary secretary respond to the bill before us.

The parliamentary secretary make a couple of important notations in his remarks to the House. He talked about sustainable development being more than just words. Obviously all of us agree with that. The whole activity of working toward sustainability must be more than just words. It must be seen to be happening, not just heard to be happening. Governments often are not trusted because they say things that cannot be seen.

The committee did a tremendous amount of work on this, as the parliamentary secretary has already indicated. In his remarks he referred to Canada now being only the second country in the world to install a commissioner of the environment. He pointed out that New Zealand was the first country to have a commissioner.

• (1340)

The point I wish to address my question to is the concept of sustainable development being more than words. The New Zealand model for a commissioner is much different from the model being put forward in Bill C–83. Helen Hughes, the commissioner of the evironment for New Zealand, appeared before the parliamentary committee and said at the time that she would find it very difficult to operate without being able to look at government policy. The commissioner of the environment in New Zealand has the ability to look at government policy, has the ability to look ahead.

Bill C–83 simply gives the commissioner of the environment within the auditor general's department the ability to look at what government has done and tell us whether we have made a mistake, not to tell us where we have to go and how to get there, not to look at the future, the seven generations the member spoke about.

I wonder if the minister could tell us how he can talk about New Zealand as a model to look up to and then indicate his support for Bill C–83, which does not come close to the New Zealand model.

Mr. Lincoln: Mr. Speaker, I thank the member for the question and also for the very significant contribution he made to our committee when we studied this question. All of us on the committee were truly grateful for his presence and his contribution.

I concede that we did not go as far as our report suggested. Sometimes politics is the art of the feasible. However, I think it is a significant start toward the New Zealand model.

The commissioner will have the task of ensuring that every ministry of the government will have to table before the House within two years strategies for sustainable development. Strategies for sustainable development as such obviously will touch on policy and programs because sustainable development is effectively how we integrate the economy to the environment within a framework.

As the Minister of the Environment stated, environment will not be carried just by the Minister of the Environment in the traditional sense; every ministry will become a sustainable development ministry. Furthermore, by law it will have to produce to Parliament within two years a strategy of sustainable development.

This is looking forward and not backward. Obviously the strategies will look to the future. If at the time the strategies are tabled in Parliament Canadians or parliamentarians are not satisfied, the commissioner will be subject to petitions on every aspect of these strategies. He will have the power to report once a year to Parliament on the status of these strategies, which will have to be updated every three years through Parliament.

Therefore, I do believe it is a significiant step forward. It may not go as far as the New Zealand model, considering that New Zealand is a country of three million people and we are a country 10 times larger and far more complex. At the same time, I am convinced that it is a significant step forward.

[*Translation*]

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, I also have a question for the parliamentary secretary.

As he heard earlier, the hon. member for Laurentides spoke at length about an assumption of hers. She stated that the federal government is using the environment as a means of concentrating power in a big way in its own hands. I would like that the parliamentary secretary tell us what he thinks about the point made by the hon. member for Laurentides.

• (1345)

Mr. Lincoln: Mr. Speaker, I will be brief. As an environmentalist of many years, as someone who has spent most of his political life standing up for the environment, I must say that wherever I go in Canada, whether it be in British Columbia, in Newfoundland or especially in Quebec where I laboured for most of my political career, including three years as Minister of the Environment, whenever I talk to environmentalists or environmental groups, I realize that they do not make any distinction between the federal government and the provincial government, when the environment is at stake.

All they want is for things to work out. All they want is a collective approach where everyone can work together.

I know there has been duplication and overlap at times. It is unavoidable in a government system like ours. But at the same time, given all the positive work that has been done for the environment these last few years, and the very fact that the Council of Ministers of Environment has become a worthwhile body which meets regularly, I think it would be a total exaggeration to say that the federal government is using the environment to infringe upon provincial areas of jurisdiction. In fact, I think we should put this issue aside and find ways to turn the environment into a major cause that could rally all of us, because for the sake of the environment, we must all work together. Otherwise, we are doomed to failure.

[*English*]

Mr. Taylor: Mr. Speaker, to follow up on my previous comments and questions, again I thank the parliamentary secretary for his kind words about my work on the committee. I did enjoy the work on the committee.

I have congratulated the committee on its work since the report was brought forward. The committee certainly did a tremendous amount of work. I congratulate the chairperson and the parliamentary secretary for their activity with regard to the committee as well. I wish the government had listened to the committee's recommendations because obviously we would be in a better position today with regard to this bill.

My question has to do with the departmental strategies the parliamentary secretary talked about. The bill asks the auditor general for the environment to look at departmental strategies. The bill gives the departmental officials two years to write those strategies and then exempts them from redoing it again for another three years. Does the parliamentary secretary know the purpose of the auditor general for the first two years while the departmental people are writing these strategies we are all supposed to be so excited about?

Mr. Lincoln: Mr. Speaker, the hon. member raises an important point which has also been raised by the official opposition. Obviously during the first two years the commissioner will have to set up the office and will have to organize the whole work of the auditor general's department relating to the environment.

Today the auditor general carries out a significant amount of work on the question of environment and sustainable development. The commissioner will take over this work and will assist the auditor general in carrying out this work further.

Also, the bill provides a very important function which cannot be lessened or minimized which is the power of Canadians to be able to submit petitions to the commissioner about government performance in sustainable development. These petitions from Canadians will certainly go forward and the commissioner will have to deal with them.

The two years are a very wise investment in time. At least the office will be well prepared to deal with infractions that will ensue and will also help the auditor general with his important work on environment and sustainable development.

• (1350)

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, the purpose of the legislation we are discussing this morning, that is Bill C–83, is to amend the Auditor General Act so as, first, to ensure that environmental considerations in the context of sustainable development are taken into account in the auditor general's reports to the House of Commons. Second, it provides for the appointment of a Commissioner of the Environment and Sustainable Development. Third, it imposes requirements for responding to petitions received by the auditor general about federal environmental matters in the context of sustainable development.

So that it be clear for all constituents, a petition does not necessarily have to be signed by hundreds of people. A complaint made by only one person will be processed normally as if it were endorsed by one or two thousand people.

Four, it requires monitoring and reporting to the House of Commons on petitions and the extent to which departments have met the objectives, and implemented the plans set out in their sustainable development strategies. Fifth and finally, to require each department to establish and table in the House a strategy for sustainable development.

By tabling the bill in this House, the Liberal government across the way will be able to claim that it is respecting one of its campaign commitments as set out in the red book. In this connection, the red book stated—if I may, I shall repeat the exact quote that the Minister of the Environment gave a few minutes ago—that a Liberal government will "appoint an Environmental Auditor General, reporting directly to Parliament, with powers of investigations similar to the powers of the Auditor General. This office would report annually to the public on how successfully federal programs and spending are supporting the shift to sustainable development. The report would also evaluate the implementation and enforcement of federal environmental laws. Individuals could petition the Environmental Auditor General to conduct special investigations when they see environmental policies or laws being ignored or violated". End of quote from the famous red book which, incidentally, has become very rare and therefore worth its weight in gold.

The red book is now being kept hidden away under the counter, and it is very difficult for anyone outside the Liberal Party to get a copy.

It was, however, at the suggestion of members of the opposition that the government decided to modify the Auditor General Act to integrate the position of Environmental Auditor General. Let us indicate right at the outset that the Deputy Prime Minister would have liked this position of Environmental Auditor General to report to her department, no doubt out of a desire to build up her influence within her government or her party, or maybe both. But that is another story we can get to later in more detail.

Here I would like to make a parenthetical remark. A few minutes, a few seconds ago, the parliamentary secretary to the Minister of the Environment stated in his response to one of my colleagues that the environmentalists and ecologists wanted things to work out.

• (1355)

He says he is convinced that there is some overlap and duplication in terms of public servants, services and money, but what people, and particularly ecologists, really want is for the operation to work. I am almost tempted to tell the parliamentary

secretary to the Minister of the Environment that we too hope it will work. I remind him that it was 25 years just a few days ago that the *Irving Whale*, a barge full of oil, sank off the Magdalen Islands and PEI. At the end of June, we learned that there was not only bunker crude oil but also PCB–contaminated oil in the wreck.

That oil is leaking, slowly but surely, in the Atlantic ocean. If the hon. member is so intent on making it work, then he should take action. He awarded a contract in the spring and the operation was supposed to go smoothly. Yet, the barge is still at the bottom of the ocean and hundreds of litres of bunker crude oil are leaking from it. Again, if the hon. member really wants the operation to work, he should take measures not only to pump the bunker crude oil out, but also to get the *Irving Whale* out of there.

With leave, I will carry on after question period, but for now I will conclude by reminding the hon. member of the St. Lawrence action plan, phases I and II. The government took $6.5 million allocated to phase II and invested that money in Miramichi, several hundreds of kilometres away from the St. Lawrence River. This is the vision of the federal environment department.

Indeed, a good part of the money allocated to clean the St. Lawrence River, that is $6.5 million out of $20 million, was spent in Miramichi, New Brunswick.

Such examples must be brought to light daily in the House of Commons. I will get back to the green plan after question period.

The Speaker: It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

1999 WORLD ROWING CHAMPIONSHIPS

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, on August 17, St. Catharines stood before the world's international rowing body representing Canada's bid for the 1999 World Rowing Championships.

Canada won the right to host the biggest world rowing event in 1999. The federal government played a leading role in the success of the bid. The community, local fundraisers and other levels of government will also assist in ensuring this project is a success.

The 1999 World Rowing Championships will bring millions of dollars and hundreds of jobs to Canada. The event will bring the athletes, coaches and media of some 40 countries. It will be the final event in a summer long rowing festival in Canada including the Pan American Games in Winnipeg, the Canada Cup in Montreal, the Commonwealth Regatta in London, the Regatta of the Americas in Welland and the Royal Canadian Henley and the World's in St. Catharines.

I thank all my colleagues for the wonderful support they have given in putting this bid forward. Canada's reputation in rowing is known and respected around the world.

* * *

[*Translation*]

STATUS OF WOMEN

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, through my participation in the NGO Forum and in the World Conference on Women, I consider it a privilege to have witnessed the dynamism and proud determination of women everywhere to improve their living conditions. The Secretary of State for the Status of Women who headed the Canadian delegation made a commitment on behalf of her government to promote the equality of women via the plan for gender equality.

On the strength of those promises, I invite the Canadian government to translate words into actions and to immediately adopt measures to create employment, daycare services, social justice and measures to ensure employment equity as well, bearing in mind those areas that are under provincial jurisdiction.

One thing is certain; with sovereignty, Quebec would finally hold all of the powers necessary to continue to act in the best interests of women.

* * *

[*English*]

REFORM PARTY OF CANADA

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, as Parliament returns for its fall session, the country faces a number of important challenges: health care reform, tax reform, pension reform, UI reform. Yet none of these issues are on the government's fall agenda. Why? Because the government has been hijacked by the Quebec referendum.

We in the Reform Party refuse to be silenced by the separatists. We will be the national opposition party, offering solutions to the real problems that face the country.

Our medicare–plus proposal will give provincial governments the funding and flexibility they need. Our flat tax proposal will revolutionize the tax system of the country. Our super RRSP proposal will personalize retirement planning.

The message is clear. If neither the Liberals nor the Bloc will speak on behalf of all Canadians, the Reform Party will. We have the people, we have the plan and we have the will to confront the tough issues.

* * *

PORTS CANADA

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the Minister of Transport with his new marine strategy is considering a recommendation concerning the policing of Canada's ports.

A recommendation that local ports simply use municipal police forces or private security firms is just not adequate. The Canadian Association of Police Chiefs has expressed its concerns and has stated that Ports Canada police officers are specialists in their field, they are trained and knowledgeable in national and international crimes such as drug trafficking, illegal immigration and terrorist activities.

Chief Sherwood of the Saint John Police Department has said that he does not want the extra responsibility nor does he have the manpower or the expertise.

I ask, for the safety and security of our country, that the recommendation concerning port policing not be endorsed by the government and that the port policing continue to be funded and operated under federal jurisdiction.

* * *

HANTS COUNTY YOUTH FOR YOUTH

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am pleased to rise today to recognize the efforts of the Hants County Youth for Youth, a group working in my riding of Annapolis Valley—Hants.

Under the Youth Service Canada program, this dynamic group is working to meet local community needs by focusing on a youth newsletter, a project in tourism and to establish a youth centre, which will officially open September 30.

In return, these participants are gaining valuable experience in communication, personal development, entrepreneurial skills and community development. I am proud of the efforts of these young people.

I want also to thank the Hants West District School Board and their partners, the Windsor Plains Recreation and Social Development Committee and the Hants Shore Community Health Centre for making this program a success.

I would ask that all members of the House join me in congratulating everyone involved in the Hants County Youth for Youth program.

* * *

[*Translation*]

NEW BRUNSWICK

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, just a week ago, Frank McKenna led the Liberals to a third victory in a row, forming a majority government.

New Brunswickers gave the McKenna government the mandate to carry on with its action plan based on job creation, a plan showing that New Brunswick is always at the forefront.

[*English*]

I would like to congratulate all the elected MLAs, especially those from my riding: Jean–Paul Savoie, Restigouche West; Edmond Blanchard, Campbellton; Carolle de Ste. Croix, Dalhousie Restigouche East; Albert Doucet, Nigadoo—Chaleur and Alban Landry, Nepisiguit who all won their seats, keeping Restigouche—Chaleur Liberal red.

I am also proud to say that the Confederation of Regions Party, an anti–bilingual and regionally based party, was wiped off the electoral map. Let this be a warning to the regional parties in the House: Canadians have had their fill of one issue and regionally based parties.

* * *

SMALL BUSINESS

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise today to recognize and compliment the newly named Business Development Bank of Canada for creating a new micro business loan for small business.

This program is aimed at helping both existing and new small businesses with amounts up to $25,000. It will help ensure that the entrepreneurial spirit in Canada is encouraged and that ideas that will lead to new businesses and new employment will not be starved for lack of capital.

• (1405)

An important component of this program is training. All participants will be required to demonstrate their ability to handle the financial aspects of operating a small business.

This is an example of the bank's new role as a complementary lender. It is an example of the government's commitment to small business and it is an example of how government can create an environment in which the private sector can create jobs. I applaud this initiative.

[*Translation*]

CREATING A QUEBEC–CANADA PARTNERSHIP

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, last weekend a CROP poll reminded us once again that 50 per cent of Canadians are open to a partnership with Quebec after a yes vote.

Beyond the unyielding stance of politicians who do not want to have anything to do with any kind of association with a sovereign Quebec, the people show plain common sense, realism and pragmatism. As a matter of fact, half of the respondents agree that the rest of Canada should maintain an economic and political association with a sovereign Quebec.

This should be no surprise for government members. Even before the federalist scare campaign, the majority of Canadians outside Quebec said they were in favour of maintaining an economic association. As we can see, they have not changed their mind. The Canadian people knows where its true economic interests lie.

* * *

[*English*]

EXPO 2005

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I would like to congratulate the city of Calgary. After many months of hard work and patience, Calgary has won the competition to host Expo 2005.

The bid committee for Ottawa–Hull deserves tremendous credit and congratulations for all the work it did on its bid. The healthy, high quality competition only serves to raise the performance of Calgary as it moves on to compete internationally to bring Expo 2005 to Canada.

On behalf of Canada, Calgary will make its submission au Bureau des Expositions Internationales, a winning bid that will make all Canadians proud.

[*Translation*]

I would like to congratulate again all participants in the competition to host Expo. Calgary, Alberta and the federal government must now work together to win the international competition for Calgary to be a good hostess to Expo 2005. Once Canada has won the right to host Expo 2005, I would like to invite everybody to celebrate with us in Calgary.

* * *

[*English*]

FOURTH WORLD CONFERENCE FOR WOMEN

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, the Fourth World Conference for Women has ended in China amid conflicting claims of great success and monumental failure.

As Canadians we have much of which to be proud. We have a reputation world wide as a country which supports diversity and equality. Canada's contribution to the United Nations' discussions and Canada's non–governmental organizations played a large role in promoting human rights and social and economic justice for women on all continents.

However there are those who choose to present the results of the conference as anti–family and to make outrageous claims about the intent of the platform of action. I challenge those who choose to manipulate the facts to Canadians to answer why it is anti–family to condemn female genital mutilation of the girl child and neglect of girl children; why it is anti–family to condemn rape as a war crime; why it is anti–family to take measures to combat the feminization of poverty; and why a platform of action which recognizes the family as a basic unit of society that should be strengthened is anti–family.

I now call on the government to put some force behind its words and to have an action plan for implementation.

* * *

[*Translation*]

QUEBEC REFERENDUM

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, last week, the Leader of the Opposition showed us how much he scorns democracy. According to him, a yes vote would clearly reflect the opinion of Quebecers while a no vote would only give separatists the excuse to impose referendum after referendum to Quebecers, until sovereignty finally wins.

The words of the Bloc leader reveal a paternalistic attitude and are an insult to the intelligence of Quebecers. People of Quebec are often victims of such partiality because whatever separatists cannot obtain with truth, they will try to obtain through cheating and deception. In spite of all the PQ and BQ schemes—

The Speaker: My colleagues, we should not use such hard words. Words like cheating seem too harsh to me. I would ask you not to use words of that nature please.

* * *

• (1410)

ANTIDRUG VIDEOS

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, young people in the Matane region just discovered another aspect of the intolerance of separatists. Last June, students at the Matane secondary comprehensive school joined forces with the local community service centre of that municipality to produce a video against drugs. Since the beginning of the school year, that video has been shown on the Radio–Québec channel in eastern Quebec.

The director of the yes committee in Matane, a separatist, protested against that video which underlines the courage of young people who say no to drugs. There, I have said the n word, no to drugs. The separatists put so much pressure on the LCSC that it decided to withdraw that publicity from the air until the end of the referendum campaign.

Obsession and paranoia have prevailed over the initiative of a group of young students who had decided to do something worthwhile for their community. No to drugs was for their future, that of our youth. No to separation is also for their future.

* * *

DEMILITARIZATION

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, in exchange for a pseudo–commitment on the part of France to recognize an independent Quebec, the leader of the PQ and his faithful lieutenant, the leader of the Bloc Quebecois, have refused to condemn France for resuming nuclear testing.

Until recently, the PQ had always advocated peace and demilitarization. The PQ's political program published since 1970 states that Quebec will have to gain recognition within the international community as a pacifist people by favouring disarmament over war as a way to settle international disputes and by opposing the testing and use of nuclear and bacteriological weapons.

René Lévesque, the founder and former leader of the Parti Quebecois, would be ashamed to see his so–called heirs make this kind of shady deal.

* * *

MILITARY SPENDING

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, by awarding to GM, in Ontario, the $2 billion armoured vehicle acquisition contract, the federal government is once again making it clear that Quebec does not get its fair share of defence contracts.

In addition, with total disregard for correct procedure, Chatham, New Brunswick, was awarded the contract to refurbish old tanks as compensation for the closure of the base.

On the other hand, in Saint–Jean, base operations were reduced and the college was shut down. Why was Oerlikon not even considered as a potential supplier of turrets for the new armoured vehicles? Talk about a double standard!

It is clear now why the Minister of Defence stated, referring to Quebec, that they could not afford the luxury of being totally fair. That is what Canadian federalism is all about: while jobs are created and R and D funds are invested in Ontario, Quebec is left with measly maintenance contracts.

[*English*]

JUSTICE

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I call attention to the need for appropriate sentencing in order to prevent habitual offenders from victimizing communities.

The tragic death of Melissa Deley in my riding of Surrey North so horrified my constituents that they were moved to march spontaneously in the streets of Surrey. The police were vigilant and swift in their pursuit and capture of the man accused of ending this innocent child's life.

However, my constituents were horrified to learn that previous to this, the accused stood before a judge and a crown attorney pleaded with the judge to incarcerate this man because of his record. He had attacked a guard while he was in custody. Instead the accused was released by the judge with a $500 fine.

Melissa's parents and my constituents refuse to believe this is the way our justice system should operate. They refuse to believe the crown is powerless to protect law–abiding citizens from habitual criminals. Surrey North wants criminal justice reforms that work and it wants them now.

* * *

[*Translation*]

ROBERT CHARLEBOIS

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, contrary to what the PQ and the Bloc Quebecois would have us believe, not all Quebec artists are sold on separation. In an interview carried by almost every major newspaper in Quebec, singer–brewer Robert Charlebois expressed very little enthusiasm over the prospect of Quebec separating.

His fear is that it will divide Quebecers, the end result being a royal mess, with bitterness and jealousy on both sides, since the whole process was based on hate and frustration; nothing great is to be expected.

• (1415)

Like most Quebecers, Robert Charlebois would rather have governments focussing on job creation and the economy instead of wasting time on futile quarrelling.

Robert Charlebois believes, and our government shares his view on this, that the real solution for Quebec is an economic solution. His way of helping Quebec, he says, is by providing employment.

Oral Questions

QUEBEC REFERENDUM

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, last Thursday, we heard the news that the Bloc Quebecois will not accept as final a no vote in the referendum. The Leader of the Opposition said it in so many words: "It is a non ending issue as long as it would not be resolved by a yes".

Please allow an English speaking Quebecer to teach some French to Mr. Bouchard. The Robert dictionary says—

[*English*]

The Speaker: I would ask hon. members to refer to each other by the names of their ridings. I will permit the member to continue.

[*Translation*]

Mr. Discepola: Please allow me to ssuggest that the Leader of the Opposition check in the Robert dictionary, which says that no is a negative adverb expressing a negative answer or refusal. It certainly does not mean "maybe", "some other time" or "next time".

Will we ever be done with the "indépendantistes"? They generate this economic instability and they are really costing us.

ORAL QUESTION PERIOD

[*Translation*]

QUEBEC REFERENDUM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, last year, Quebecers elected a sovereignist government with a mandate to hold a referendum as soon as possible on Quebec's accession to sovereignty.

Acting on its electoral promise, the government presided by Jacques Parizeau triggered the referendum mechanism in the National Assembly.

Recently, the Minister of Labour and federal minister responsible for the Quebec referendum was called to order by the Prime Minister for having said, and I quote: "We have always said that Quebecers had the right to express themselves on the future of Quebec, either within or outside Canada. We live in a democratic country, so we will respect the vote—".

My question is directed to the Prime Minister: What was so wrong about the minister's statement, which reflected the most elementary principles of democracy, that would justify the humiliating retraction he inflicted on her?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Quebecers will be able to express their opinion on October 30 in a referendum.

As far as I am concerned, the country has other problems to deal with as well, and I will not spend my time answering hypothetical questions from the Leader of the Opposition who says that if it is yes, it is yes, and if it is no, it is not the right answer.

So I do not need any lessons from him.

Mr. Chrétien (Saint–Maurice): I will be able to answer the Leader of the Opposition if he tells me if it is supposed to be a play–off, two out of three, three out of five or four out of seven.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I think someone put on the wrong record, because the question was about whether the Prime Minister could tell us why he called his minister to order.

I would like to ask him whether we are to understand that taking the same line he took with his minister, he also intends to call to order the chairman of the No Committee, Daniel Johnson, who last Tuesday in Quebec City recognized the right of Quebecers to decide on their future and promised to respect their decision.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have always said they had the right to have a referendum in Quebec. Quebecers can be consulted and can explain their point of view.

• (1420)

However, we on this side of the House are convinced that Quebecers, if they are asked an honest question about the separation of Quebec from Canada, not a trick question, no clever twists and turns but an honest question: Do you want to separate from Canada? If the leader of the Leader of the Opposition, Mr. Parizeau, was truly intellectually honest, he would have asked Quebecers: Do you want to separate? And Quebecers would have answered: No, never.

Some hon. members: Hear, hear.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, with respect, I deplore the fact that at the very beginning of this fundamental debate, we are hearing applause for a prime minister who has just impugned the intellectual honesty of Mr. Jacques Parizeau, who certainly does not need lessons from this prime minister.

Some hon. members: Hear, hear.

Mr. Bouchard: If I understood the Prime Minister's answer correctly, he sees the outcome of this referendum merely as a point of view to be expressed by the people of Quebec. I think we should consider this from the legal point of view, and I may remind the Prime Minister that the National Assembly and the

Quebec Government based their referendum strategy on the right of peoples to determine their own future in a peaceful and democratic manner. I want to ask the Prime Minister whether he recognizes the right of Quebecers to do so.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if the Leader of the Opposition wants to ask me about the legal aspect, he already has an answer from the Quebec courts, and I am not going to get involved in that, but I can answer his question. When the Leader of the Opposition says that the right to self–determination does not apply to aboriginal people in Quebec, he is contradicting himself. So if he wants to have that kind of debate, we can have one.

As far as I am concerned, I simply want to say that I am surprised at the attitude taken by the opposition, which is hiding things from the people. They did not want to ask an honest question. The Leader of the Opposition told the Americans: "I am a separatist" and when he is in Quebec, he is afraid to say he is a separatist. As for what is happening in Quebec right now, when his own economist, Mr. Mathews, prepared honest studies, the leader of the government, the leader of the Leader of the Opposition, Mr. Parizeau, said he was incompetent. Does the Leader of the Opposition agree with Mr. Parizeau that his own economist is not competent?

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it will be noted that the Prime Minister is carefully trying to avoid answering questions on the recognition of the right of Quebecers to make decisions on their own future. He is also creating confusion by censuring his minister responsible for the referendum in Quebec because she made the terrible mistake of saying frankly that the government should respect the wishes democratically expressed by Quebecers.

My question to the Prime Minister is very clear and simple, and I want an answer. Given the important consequences for all the people in Quebec and in the rest of Canada, can the Prime Minister tell us clearly whether or not he will respect the choice expressed by Quebecers in the upcoming referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I would like the opposition to tell the government that they will respect a no vote. We won the referendum in 1980 but they did not respect the wishes of Quebecers.

They are doing the same thing again today. The Leader of the Opposition says that he does not want the no side to win and that he would not regard a no vote as final. When will he stop playing with the future of the people, who want their governments to deal with the real problems, look after their interests, create jobs and provide sound public administration. That is what the people want and what the opposition refuses to do.

Some hon. members: Hear, hear.

• (1425)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, they have very short memories. Quebec sovereignists have always respected the results of the 1980 referendum, as shown by the fact that, 15 years later, we are still in Canada discussing the Constitution because two things have occurred since the referendum. The situation has changed, Mr. Speaker. He unilaterally repatriated the Constitution—

Some hon. members: Yes. Yes.

Some hon. members: Hear, hear.

Mr. Gauthier: —and he killed the Meech Lake accord. He is the one who is creating problems.

Some hon. members: Yes. Yes.

Some hon. members: Hear, hear.

Mr. Gauthier: Mr. Speaker, to the man who said in 1980 that no meant yes and that yes meant no, I ask the following question, and we would like an answer.

Does the Prime Minister of Canada realize that by refusing to admit that he will respect the results of the democratic referendum to be held in Quebec, he is contradicting the chairman of the No committee and his boss in this case, Daniel Johnson from Quebec, as well as his minister responsible for constitutional matters and the referendum in Quebec? Does he realize that his irresponsibility is creating uncertainty and that he is duty–bound to give real answers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, how can Quebec separatists talk to me about the Meech Lake accord when they were against it? They were against it, and so too was Parizeau.

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): And you stabbed in the back.—Yes.

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): Although the Leader of the Opposition was not present at the end of the Meech Lake debate, he claims that it was a humiliation for Quebecers. They claim in their propaganda that the rejection of the Charlottetown accord in a referendum was a humiliation for Quebecers. Yet, they all voted against it. They helped humiliate Quebecers by voting against the accord.

I reiterate to the opposition that only 3 per cent of Quebecers see the Constitution and the referendum as priorities. The remaining Quebecers want their parliamentarians to deal with the real problems such as job creation, social justice and Canada's place in the world. They want us to deal with the real problems and, on October 30, Quebecers will say clearly to the separatists that they want to remain in the best country in the world, Canada.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, Canadians want this Quebec referendum to be decisive and conclusive. They do not want any confusion or ambiguity concerning the meaning of the vote, before or after.

Yet the Leader of the Opposition clouds the issue when he says that he is prepared to accept a yes vote as binding and conclusive but not a no vote, and the Prime Minister does not help things when he implies that he is prepared to accept a no vote as binding and conclusive but waffles on the meaning of a yes vote.

For the benefit of all Canadians including Quebecers who want clarity and certainty in interpreting the Quebec referendum, will the Prime Minister make clear that a yes vote means Quebec is on its way out, that a no vote means Quebec is in the federation for the long haul, and that 50 per cent plus one is the dividing line between those two positions?

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if we had a clear question. They are asking the people of Canada: Do you want sovereignty? At the same time they say they want to stay in Canada.

Last week *The Economist* had the title "They want a divorce today and they want to be lovers tomorrow". It is not a very clear question. I have been asking them for a long time in this House of Commons to give us a real question, an honest, clear question on separation. They have clouded the issue talking about divorce and remarriage at the same time. They want me on behalf of all Canadians to say that with a clouded question like that with one vote I will help them to destroy Canada. You might, I will not, Mr. Manning.

Some hon. members: Hear, hear.

The Speaker: I would ask all hon. members to please direct their remarks to the Chair.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I have a simple supplementary in response to the Prime Minister's reply. If the question asked in the Quebec referendum is not clear and is ambiguous, is he prepared to ensure a clear question is put to Quebecers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there will be a clear answer by Quebecers on the 30th of October. They will say they will stay in Canada so the question is purely hypothetical.

The Speaker: Colleagues, the questions today have bordered on the hypothetical. I would ask all hon. members in phrasing the questions to please pay strict attention to the fact that they be questions which deal with policy matters of the government as opposed to hypothetical questions. I would ask you to do that.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I find the Prime Minister's answer adding to the ambiguity which as I said at the beginning Canadians do not want. He just said that the question was unclear and therefore the answer would be ambiguous. Then he said that the response to that question would be a clear answer.

The majority of the members of this House believe that a yes vote in the referendum means the separation of Quebec and an end to its participation in the Canadian union. The separatist members can talk about a new marriage or partnership but it will be a partnership without a partner, a marriage without a spouse and Quebec will find itself at home alone.

Will the Prime Minister therefore state unequivocally that a 50 per cent plus one yes in the referendum will mean, sadly, an end to Quebec's position in Canada and not a new and better union?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, very often when the PQ and the Bloc Quebecois say that they will all have an economic and political union, that they will have a passport, citizenship, that they will have the same currency and so on, they are not being very frank with the people of Quebec. That would be decided by the rest of Canada if it were to be the case.

• (1435)

But why waste our time? We have so many other problems facing this nation. Six weeks from today the people of Quebec, the people who were here, who opened up this country, when the francophones of this land left the Saint–Maurice valley to open the prairies, do we think these people will want to let go of the best country in the world? They will not.

That is why, Mr. Speaker, you should have the rules of the House respected. Hypothetical questions are not permitted in this situation.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is for the Prime Minister. In his autobiography, *Dans la fosse aux lions*, published in 1985, our current Prime Minister, undertook to abide by the decision made by Quebecers, saying that his party was betting on democracy. That they would convince that they should remain in Canada and would win. If they lost, they would respect Quebecers' wish and accept separation.

How does the Prime Minister explain his about–face in refusing to accept the outcome of the Quebec referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I actually made this statement in the riding of the Leader of the Opposition, in Alma. At the time, when they asked me, I said there would be a referendum and we would win. And we had a referendum. All this took place before the first referendum. Since then, the Leader of the Opposition and the separatists have been saying that they will never take no for an answer. So they have never said they would accept a no vote as valid.

The Leader of the Opposition has again said recently himself that there will be referendum after referendum—except Quebecers have heard enough talk about the constitution and do not want to hear any more about it. They want to hear about the real problems concerning Quebecers: job creation, income security, peace for seniors. This is exactly what this government wants to do—look after the country's real problems—while they are busy playing with hypothetical questions. However, they will be making no more speeches after October 30.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question was not about hypothetical remarks, but about remarks the Prime Minister took the time to write. I imagine it was he who wrote his book. It was before 1985, well before the Bélanger–Campeau Commission, well before Meech and all that. I am asking the Prime Minister how he can justify changing his mind on such a basic question, when he stated before the Bélanger–Campeau Commission, in 1990–1991 I would remind you, and I quote: "I am a democrat, and I said so in 1980. Had we not recognized that Quebec could decide to separate, we would have acted differently".

Why is he not saying the same thing today? Are the years eroding logic?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I made that statement before the other referendum. We had a referendum, but Canada won. So the problem was settled.

Some hon. members: Oh, oh!

Mr. Chrétien (Saint–Maurice): I wrote that before, in 1986, and I said at the time that we were going to respect the referendum that was held and we won. Now the opposition keeps saying that there will be no end, that there will be a referendum so long as it fails to win. I have to say that it is very important to respect democracy and that, at the moment, the question put by the Parti Quebecois, by the leader of the Leader of the Opposition, is ambiguous; it will create an ambiguous situation, and Quebecers do not want an ambiguous situation. They decided to remain in Canada, and Canada will be the winner on October 30.

• (1440)

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I have to say that I am extremely disturbed and I think Canadians will be disturbed at the answers the Prime Minister gave to the leader of the Reform Party.

We have the separatists in Quebec telling Quebecers that they can vote yes and have this imaginary union. Now we have the Prime Minister saying that a no vote counts and a yes vote may not count. I ask the Prime Minister to reconsider that position carefully. Is he not really telling Quebecers that it is easy and without risk to vote yes when that is not the case?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not know what the real question is the member is asking me. I am always telling Quebecers that they have a chance to vote again on this.

For months and months I have asked the Government of Quebec to ask a clear question. It is asking an ambiguous question. Reading any comment on that from abroad they all say it is terribly confusing. They say we will get divorced and then remarry.

The member is asking me to say yes to the question without any analysis. Even then they say to Quebecers that separation will not come the day after. Therefore, do not tell me to tell them that it will be over on October 31. This country will be together on October 31 of this year and on October 31 of next year. As long as I am alive it will be part of Canada. Therefore, I do not want to spend my time talking about separation.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, this country is not going to stay together just on the basis of one man's interpretation of a referendum question. It will stay together because the Prime Minister and others are successful in convincing Quebecers to vote no.

I again ask the Prime Minister why he does not simply do what the Leader of the Opposition is unwilling to do and tell Quebecers that their vote counts, yes or no, and that democracy is on the side of the federalists?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, no one that I know of has talked more about Canada and Quebec. I know they will vote for Canada even with this ambiguous question. Therefore, I do not want to spend my time replying to these hypothetical questions. We will campaign in Quebec and Quebecers will know that it is in their best interests to remain in Canada.

I do not understand why the Reform Party is trying to score political points when it is time for all Canadians to be on the same side in convincing Quebecers to stay in Canada.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, strangely enough, the Prime Minister did say—although it is not so clear today and I am not too sure any more—that he acknowledged the legitimacy of the referendum process under way in Quebec. Unlike the Minister of Labour and the chairman of the No committee, Daniel Johnson, however, he still refuses to recognize the eventual results of this referendum process through which Quebecers will decide their political future.

How can one logically reconcile acknowledging the legitimacy of a democratic public consultation process, take part in it and at the same time refuse to recognize its eventual results?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I said several times already, we have asked for a clear question and none was forthcoming. They do not even have the courage to tell Quebecers that they are separatists. They looked for and coined a word to describe themselves, which is not even in the French language. They call themselves "souverainistes". It is nowhere to be found in the dictionary.

They do not have the courage to let Quebecers know that they want to separate. They are trying to disguise their option and they want me to play their game, when I only want them to ask the people, I challenge them to ask them this question because the debate is not over in Quebec: Do you want to separate from the rest of Canada? Period. Then I would be the first one to admit that they were honest enough to put an absolutely unequivocal question to Quebecers.

• (1445)

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, are we to understand from all the answers given by the Prime Minister that, as far as he is concerned, the Quebec referendum will only be valid if the results are what he is hoping for? Is that his idea of democracy?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is the Leader of the Opposition who says that a no vote does not mean no, but that a yes vote means yes. They are the ones who say that. They refuse to respect the people's wishes. They say they will go on and on.

Quebecers have heard as much as they can take about referendums and constitutional issues. They want politicians to deal with job creation, provide sound public administration and give them an honest and competent government. That is exactly what they lack in Quebec and that is why they will be voting for Canada on October 30.

[*English*]

CAMP IPPERWASH

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the Canadian agenda includes a lot more than the Quebec referendum.

Documented lawlessness was occurring at Camp Ipperwash since the native occupation on July 29. The local community is feeling betrayed by the total absence of military policing. This absence culminated tragically and unnecessarily in the death of Dudley George at the adjacent Ipperwash Provincial Park.

Why did the Department of National Defence allow the 2,000–acre military camp to go totally unpoliced after a 16–year old crashed the bus into the camp buildings area?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, members of the band occupied part of Ipperwash in the fall of 1993.

In the budget of 1994 the government took the decision that Camp Ipperwash would close. It was surplus to our needs. We then entered into dialogue with the chief of the Kettle Point Band, Mr. Bressette, to talk about transferring ownership as part of the original agreement. Those discussions were rather long and involved questions of compensation about environmental clean up, all of which the government was committed to do.

When the rest of the renegade group, which does not accept the main band and the chief, occupied the camp some time ago—I guess it was in the month of July—the commander on the spot took the correct action. Rather than have confrontation where there would be loss of life, and given the fact that the camp was not being used by the military, the military agreed to withdraw temporarily, pending negotiations.

Those negotiations have borne fruit with the discussions that were held last week by the minister of Indian affairs. Everyone should congratulate him on the job he did in bringing a resolution to this subject.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the minister was begged by the town, by the province, by the Reform Party, and the chief and council of the band to militarily police the camp and instead left a policing vacuum over lands under his jurisdiction.

The minister swore an oath as a cabinet minister and privy councillor to uphold the laws of Canada. When is the minister going to do that?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, rather than listen to the inflammatory remarks of the hon. member, what we have seen in the recent events is that only with dialogue and negotiation with Canada's First Nations can we resolve these disputes.

There was division within the aboriginal community on the question of entitlement to that piece of land the federal government wants to give back.

After the negotiations conducted by my colleague, the Minister of Indian Affairs and Northern Development, this now appears to be on the way to a satisfactory resolution.

* * *

[*Translation*]

QUEBEC REFERENDUM

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, last week, the Minister of Labour responsible for the Quebec referendum made the following comment: We always said that Quebecers have the right to express their views on Quebec's future, whether that future is in or out of Canada. We live in a democratic country; consequently, we will respect their wish.

My question is for the Minister of Labour. Does the minister responsible for the QQuebec referendum still stand by her statement to the effect that she will recognize the result of the referendum vote?

• (1450)

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I have said, and I am proud to say it again in the House of Commons, that Canada is a democratic country and this is why I hold it so dear, as a Quebecer as well. Let us never forget that.

We have always said that Quebecers have the right to express themselves in a clear and democratic way regarding their future. Where is the clear question? Where is the clear question from our colleagues? Why are they hiding what is really at stake with this referendum? What are they hiding?

They are hiding studies. What else are they hiding? Why do they not want to tell the truth to Quebecers? The answer will be clear on October 30.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, the Prime Minister's reprimand was heard clearly. The fact is that when the minister said she would respect the wish of Quebecers, she knew what the question was.

Some hon. members: Hear, hear.

Mrs. Tremblay: So, will the minister recognize that, rather than treading on her own principles, she should have had the courage to resign to stand for her beliefs, express her attachment to Canada and preserve her own credibility?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I will repeat what I was just told. I do not need any advice on democracy. I was just told, as Yves Duhaime once said: Is she a true Quebecer, since she was elected by the people of Saint–Henri—Westmount? Since English speaking people voted for me? Mr. Speaker, this is what was just said.

You can see the kind of moral standards and ethics we are dealing with. Do we have the courage to tell the truth to Quebecers? They can decide for themselves. If you ask them "Do you want to separate from Canada?", the answer will be no.

* * *

[*English*]

WORLD BANK REPORT

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, my question is for the Minister of Finance.

Yesterday the World Bank made public its report on the wealth of countries. We are all thrilled to see that Canada ranks as the second richest country in the world. I ask the minister to tell us what this means for Canada and for Canadians.

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I thank the member for the question.

I am glad to share with my colleagues the decisions of the World Bank and the new studies they have done and the new methods they have used. It not only measures the industrial output but the national wealth and the human resources of a country.

I am proud to say that Canada now ranks number two in wealth, complementing the recent statement by the United Nations that said we were number one in the world.

* * *

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, another issue of importance on the Canadian agenda is health care, even in Quebec.

The Liberals made a promise in the red book to have a national forum on health care chaired by the Prime Minister. Could we have a progress report, please?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I am pleased to say that the forum is doing its work. It has released a number of papers. It recently released one in Toronto on the issue of private and public funding. It will commence a series of public hearings some time this fall. Stay tuned, there will be more coming.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the national forum on health is an abject failure, but there is a meeting going on right now that might bear some fruit. The provincial health ministers are meeting in B.C. Is the government going to listen to constructive suggestions coming from that meeting?

• (1455)

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, one of the first things I would like to state in the House is that medicare works. The Canada Health Act enables medicare to work.

I am going to Victoria. I am leaving as soon as question period is over. I am going there to work with the provinces. I will work with them in any way I possibly can, but I will not allow the creation of a two tier system.

* * *

[*Translation*]

QUEBEC REFERENDUM

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Labour. After publicly expressing her vision of democracy by stating that the government would respect the Quebec referendum results, the Minister of Labour, who is responsible for the referendum in Quebec, was put in her place by the Prime Minister a few minutes later.

Since she can no longer express her convictions in public, can the Minister of Labour at least undertake to plead privately with the Prime Minister to convince him to recognize the results of the Quebec referendum?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, as I said before, Quebecers have the right to express clearly and democratically what they want their future to be, and we will respect this right. That is why we are sure that, faced with a clear question, Quebecers will say no to Quebec's separation from the rest of Canada.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, does the minister admit that, by doing an about–face and saying she no longer recognizes the obligation to respect the results of the referendum, she is renouncing the loyalty she owes to Quebecers?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, who can claim to be real Quebecers? After reading the bill's preamble, which says that we will lose our identity as Quebecers if we stay in Canada, I wonder who they think they are. I myself am a proud Quebecer and I will vote no.

* * *

[*English*]

BOSNIA

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, today we have heard a great deal about the October 30 Quebec deadline, but the government has an important September 30 deadline on the future of the Bosnia peacekeeping mission. Given the massive ongoing fighting that is occurring in Bosnia and the fact that this afternoon Boutros Boutros–Ghali announced that the peacekeepers should leave Bosnia, will the Minister of Foreign Affairs do the right thing and immediately announce that our troops will be withdrawn from Bosnia?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, Canadian soldiers are doing the right thing every day in that part of the world. They are there serving in a very difficult environment in order to protect civilians and help people to be fed and protected. Canada and Canadians should be very proud of what our soldiers are doing there.

We are committed to the end of the mandate. It is quite clear that Canada will respect the mandate it has received from parliamentarians and that the Canadians will stay to the end of the mandate. We will have a chance to discuss with our colleagues and other countries who are contributing troops in that part of the world what is the best thing to do in order to enhance the peace process that is taking place.

We hope that Mr. Holbrooke, on behalf of the contact group, will conclude his negotiations with the parties in order to install peace for all the parties in the region.

• (1500)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, our troops have been hunkered down for months now. They are not delivering on their mandate, as Boutros Boutros–Ghali said today.

As the minister said, they are there for peacekeeping only. That is the only function they should be there for but there is no peace to keep. Again I ask the minister, why are you breaking faith with our troops, abandoning them—

The Speaker: Earlier in question period I mentioned that you should please address your questions through the Chair. I would ask you to do so please.

I am going to permit the hon. Minister of Foreign Affairs to answer.

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to say through you to the hon. member that I do not know where he is getting his information.

The soldiers who are there now, those who have served there and those who have come back from Croatia have all indicated their pride in participating in such a UN peacekeeping operation, although it is a very difficult one.

The Canadian troops are part of a UN peacekeeping mission. If the secretary–general decides to terminate the mandate I am sure it will done through proper consultations and we will obviously respond to the decisions of the United Nations.

Despite what the hon. member is saying, there is still a task to be performed and Canadians will be performing it to the end.

* * *

NUCLEAR TESTS

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, in Ottawa this summer 230 parliamentarians from 48 countries, members of the Organization for Security and Co–operation in Europe, by resolution urged the French government not to hold nuclear tests.

My question is for the Minister of Foreign Affairs. In addition to the representations he made on September 6 to the French government, is he now prepared to call for a boycott of goods made in France?

[*Translation*]

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, Canada deplored the decisions of France and China to continue nuclear testing. However, Canada mentioned that it wanted the recently unanimously approved UN resolution to end nuclear testing by 1996 be complied with by all parties that already have a nuclear strike force. We expressed our satisfaction to the Americans as well as to the French who said they intended to comply with the 1996 deadline.

Under the circumstances, I do not think that we can blame French authorities for announcing that they will comply with the 1996 objective.

[*English*]

The Speaker: This brings question period to a conclusion.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of His Excellency Ung Huot, Minister of Foreign Affairs and International Co–operation of the Kingdom of Cambodia.

Some hon. members: Hear, hear.

The Speaker: I also draw your attention to the presence in the gallery of my brother Speaker from Alberta, the Hon. Stanley Schumacher.

Some hon. members: Hear, hear.

Tributes

• (1505)

RIGHT HON. JOHN DIEFENBAKER

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am pleased to rise in the House to mark the anniversary of the birth of John Diefenbaker 100 years ago today.

John Diefenbaker was a predecessor in the office of Prime Minister. I know I speak for everyone in the House when I salute him on this historic day. I am also one of the lucky few in this House today who had the opportunity to know John Diefenbaker, to see him in action and to serve with him in Parliament.

John Diefenbaker was one of those rare public figures who was larger than life and who remains larger than life. He helped define an entire era in our history. Like all Prime Ministers he left a mark on his country through his accomplishments in office, but like only a very few Prime Ministers he left a mark on our national psyche just by being the way he was. His style, his voice, his very presence have all become part of our identity, part of of our mythology.

Dief loved politics. He was a career politician and he was proud of it. He considered politics and public service an honourable calling, the calling of a lifetime, and he gave it everything he had. You could love him or hate him—most Canadians fell into one of those two categories—but you could never for one second question the sincerity and the personal integrity of John Diefenbaker. You could disagree with him on an issue—which I often did on a lot of things from the Canadian flag to bilingualism—but you could never doubt his deep patriotism and love of Canada.

Of course, Dief was a populist. Perhaps his greatest accomplishment was bringing the firebrand populism of the prairies into his House of Commons and into the Government of Canada. He never forgot who he was or where he came from. His connection to Main Street in Prince Albert connected him with the Main Street of every town and city in Canada and with the Canadians who lived and worked on those main streets. He was their champion. He stood up for them. He railed against the establishment, against Bay Street, against the Grits, against the socialists and of course very often against his own party. He never fudged. He never wavered. He took a side on an issue and he stood firm.

Like all populists he loved the heat of the battle, the competition, the excitement. He loved campaigning. He was truly a great campaigner, whirling into town, diving into crowds, shooting at his opponents the Grits and the socialists with his arsenal of drama and humour. Dief used to say, "I don't campaign, I just visit with the people". Nobody ever connected better with the people than John Diefenbaker.

[*Translation*]

Above all, he felt at home in the House of Commons. He liked this place and I might add that, for a young 29–year old from Shawinigan, Mr. Diefenbaker's flights of oratory in this House were quite impressive. I used to sit in the last row—my seat was

at the back over there—and listen to him, because this was quite a show as we say. His imposing presence, penetrating stare, theatrics and thunderous voice are all as clear in my mind as they were 32 years ago when I first came to this place. For me—as for millions of Canadians—John Diefenbaker will forever epitomize the essence of this place.

• (1510)

[*English*]

Patriot, populist, parliamentarian, unhyphenated Canadian: John Diefenbaker was all of those things. He left our country a far richer, more interesting place than when he entered it 100 years ago today.

During his life, he touched the lives of millions of Canadians. His legacy will continue to inspire Canadians, be debated among Canadians, always people taking different sides because that is the way Dief loved it. It will last for a long time because John Diefenbaker was a great Canadian.

Some hon. members: Hear, hear.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, in listening to the Prime Minister, I could not help but note the irony of his remarks and his experience in having the privilege of sitting in this House with the Right Hon. John George Diefenbaker.

He draws his comments from his own personal memory, in contrast to myself who was not yet born when Mr. Diefenbaker became Prime Minister of Canada in 1957 with a minority government.

I draw my remarks today from the collective memory of Canadians who will look back on this great man, sometimes with questions but most of the time with great admiration.

It is important to note that John G. Diefenbaker did not get elected the first time he ran. He ran for office many times before being successful.

At the outset of his life, he knew that the path he would walk would be his own and he remained true to that destiny. He became Canada's first western Prime Minister, the first Prime Minister who was neither of British nor French descent.

He brought a unique and rare style of politics to Ottawa. He took the populist firebrand politics of western Canada and made it mainstream. He came to this place with very deep convictions of what Canada represented. Most of all, he had very deep convictions in regard to our rights and our responsibilities.

In this regard, he meets one of the lasting tests of history. He has left behind a legacy that is still with us today: Canada's first Bill of Rights was the work of John Diefenbaker.

He also brought to national politics a vision of northern Canada. He was the first national leader to understand what it meant for Canadians to embrace this great, massive land, what it represented in our minds and in our imaginations in its limitless potential that he went on to describe as being something that extended from "sea to sea to the northern sea".

John Diefenbaker's passion for Canadians and Canada helped to attract people from across the country to politics. I still meet people today who say to me that I am a Diefenbaker Tory. I am sure that colleagues in the House have from time to time met those same people.

I want to quote today one of those Canadians who was influenced by John Diefenbaker, the Right Hon. Joe Clark. He said following Mr. Diefenbaker's funeral in 1979: "In a very real sense, John Diefenbaker's life was Canada. Over eight decades he spanned our history from the ox cart on the prairies to the satellite in space. He shaped much of that history, all of it shaped him".

What we may begin to appreciate today, 16 years after his death, is his impact on the way which we view ourselves as Canadians.

• (1515)

John Diefenbaker helped form Canada into a country where it is possible for a man from Ontario but raised, educated and formed in the prairies to be embraced by all Canadians. He illustrated what one man can do in a country like Canada.

There is no doubt that John Diefenbaker helped shape this country into a better, broader and prouder nation than the one before.

[*Translation*]

Mr. Diefenbaker had qualities and faults, but we have to give him credit for supporting, when he was Canada's Prime Minister, efforts to reach Canadians in order to promote individual freedoms. At the time, he was criticized for not supporting the Official Languages Act, but let us not forget that it is thanks to him if bilingualism was introduced in several Canadian institutions.

And while he did not agree with some specific initiatives, he was always convinced of the importance of protecting individual rights.

[*English*]

There is no doubt that John Diefenbaker helped shape Canada, as I said, into a better place. As leader of the Progressive Conservative Party of Canada in 1995, I am very proud to be associated with him.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, John Diefenbaker was a passionate man. Passionate about his vision of his country, passionate in his attachment to his roots, firmly anchored in the dense and fertile soil of the Prairies.

Throughout the career of this resolute man, one would be hard–pressed to find examples of half–measures, grey areas, sidestepping and gobbledygook. He belonged to a generation that spoke and acted unequivocally. After returning from the Great War injured and with the rank of lieutenant, he suffered, a few years later, several defeats at the municipal, provincial and federal levels, which helped him acquire his legendary deter-

mination, before coming to this House to which he was re-elected 12 times.

Cut and dried as he was, it is not surprising that opinions about him are equally passionate on both sides. His career as a people's lawyer and the rejection he was subjected to made him sensitive to the plight of the disadvantaged and the workers. For example, he opened the door to the adoption of the federal health insurance policy.

He showed the same generosity in the promulgation of the Canadian Bill of Rights. In 1961, he condemned apartheid. But francophones will also remember him as a fierce opponent of bilingualism. And who can forget his fight against the adoption of a Canadian flag?

His attachment to England was coupled with an embarrassing coolness toward our American neighbours. But above all, he constantly refused to recognize Quebecers as a founding people, even denying Quebec's distinct character. Unfortunately, we know that his ideas gained widespread acceptance and that, 32 years after his government was defeated, the present government still refuses to recognize Quebec as a nation.

Quebecers now have the ball in their court and they have to express their political will. But, no matter what people may say, nobody can accuse John Diefenbaker of backing away from a fight. He talked about the country, the language and the people that he loved so dearly.

In the upcoming debate, he would not, of course, share the opinion of Quebec sovereignists. He would certainly be a fierce adversary, but I think he would understand that others, like him, feel the need to protect their identity, their language and the right to exercise their choice as a people.

[*English*]

Yes, he was a great fighter. I cannot help thinking that he would enjoy very much to be living now. He certainly would have been very much involved with the debate since its beginning. I think he would certainly fight for Canada as he thought Canada was, but he would understand that many Quebecers would fight for Quebec, for what they think Quebec is.

• (1520)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I rise to join with other members in paying tribute today to the memory of John Diefenbaker on the 100th anniversary of his birth.

John Diefenbaker has been described today by the Prime Minister and others as a prairie populist, as a man with his roots in the common people who sought to give expression to their hopes, fears and dreams through the medium of politics and public policy.

As a student I once attended a huge rally which he addressed in Edmonton's Jubilee Auditorium. The place was packed and there was no place left to sit except at the press tables on the platform behind where he was speaking. I took out a notebook and disguised myself as a scribe and ended up sitting about 20 feet behind him while he addressed about 5,000 people packed into a building that would hold about 3,500.

As was his custom he had a large sheaf of papers on the podium. For the first 10 minutes he simply flipped through the pages touching lightly on a subject, assessing the feedback from the audience, moving lightly to another subject, touching lightly on it and assessing the feedback from it and so forth, until he had a fix on the concerns and the hopes of that audience.

These he returned to with a vengeance, speaking directly to their concerns and hopes with an accuracy and a vigour that defied imagination. He had a peculiar ability to read an audience very quickly and to relate quickly and forcibly to the hopes and fears of his fellow Canadians.

As a prairie populist John Diefenbaker was one of a select list of characters that cuts across party lines, including F. W. G. Haultain, the last great premier of the Northwest Territories; John Bracken and Henry Wisewood of the Progressives; William Aberhart, J. S. Woodsworth and Tommy Douglas. What set John Diefenbaker apart was that he was the only prairie populist in this century to become the Prime Minister of Canada.

Like all of us he had weaknesses as well as strengths. He had detractors as well as admirers and supporters. However there was one point on which he could not be faulted and that was on his love and commitment to Canada, "one Canada" to use his favourite phrase.

On behalf of my Reform colleagues, the people of Saskatchewan and the hundreds of thousands of Canadians who either loved him or hated him but were never indifferent to him, I pay tribute to John Diefenbaker and his commitment to one Canada, on the 100th anniversary of his birth.

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, today, September 18, 1995, is the 100th anniversary of the birth of the Right Hon. John George Diefenbaker.

Mr. Diefenbaker represented the city of Prince Albert and area in the House of Commons from 1953 until 1979 and was elected to this honourable House 13 times. He became Canada's 13th Prime Minister on June 21, 1957 and served our nation in that capacity until April 21, 1963.

On this the 100th anniversary of his birth I wish to recognize John Diefenbaker's great contribution to the citizens of Prince Albert. We remember that contribution in our community. We have the Diefenbaker Bridge, the John George Diefenbaker School, Diefenbaker House and a statue of John Diefenbaker in Memorial Square. In addition we have Prime Ministers' Park. We will not quickly forget the legacy of John Diefenbaker in our community.

I also express our gratitude to the lasting and profound legacy he left to our entire nation, including the very important Canadian bill of rights. Mr. Diefenbaker believed, as do the vast majority of Canadians, in the economic and cultural benefits expressed in a phrase that he was very fond of and used often: "The economic and cultural benefits of one Canada, united now and forever".

• (1525)

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I am pleased to be able to join my colleagues from other parties in the House today in marking the 100th anniversary of the birth of Prime Minister John George Diefenbaker.

When John George Diefenbaker was elected Prime Minister of Canada I was six years old. Mr. Diefenbaker was 62 years old and had already been in Parliament for 17 years. Yet I had the honour, however briefly, of being a colleague of his when I like him was elected to the 31st Parliament of Canada on May 22, 1979.

I remember walking into the parliamentary dining room and seeing Dief in the alcove to the left where Prime Ministers like to eat and feeling like I was now in authentic parliamentary company.

It should be repeated of John Diefenbaker often that not unlike other parliamentary legends, some of whom are still with us today such as Mr. Knowles, he loved Parliament and all that it stood for. He understood Parliament. He knew it to be a place where different ideas and different idealists clash with each other and have it out with each other. The sanitized corporate boardroom view of Parliament which we see encouraged in some quarters today was not for John Diefenbaker.

While we are talking about corporate boardrooms it is also appropriate to note that in my judgment John Diefenbaker was probably one of the last Prime Ministers of the country who served for any length of time, who was not at home in the company of the Canadian corporate elite. His politics though not socialist were populist and he was certainly more at home on Main Street than on Bay Street. That is why he was able, much to the distress of my party on occasion, to win ridings that otherwise should have been NDP.

He was progressive for his time and for his party on human rights issues, on the equality of women, on social programs, on aboriginal issues, on South Africa and on other such issues. One recalls with fondness his opposition to capital punishment, for instance. Most of all, though I concur with many of the critical analyses offered of his prime ministership, I remember Mr. Diefenbaker as a Canadian, an unhyphenated Canadian, who had a vision of Canada that far exceeded the banal images of the marketplace so commonplace in our way of speaking today.

It was a vision of an independent Canada, a Canada that did not take its orders or its agenda from Washington, a Canada that determined its own way in the world and its own way of doing things. It was this independence that George Grant lamented the loss of when he wrote a "Lament for a Nation" after the fall of the Diefenbaker government and the acceptance of nuclear weapons by the government that followed.

John Diefenbaker struck a chord in the hearts of many Canadians. It was not long after the election of 1979—three months actually—that his funeral train wound its way across the Canadian landscape. It was the last trip on the hustings for a man who loved politics, who loved Canada, who loved political life and who always said that next to the ministry he regarded politics as the highest calling.

Finally, on a personal note, my exposure to John Diefenbaker came long before my election to Parliament or the few occasions on which I had an opportunity to discuss issues with him as a young person interested in politics, because I did have that opportunity. Some members may also know that I play the pipes. As a piper I had the task of piping him into the hall at a number of events in Winnipeg over the years. I remember one in particular at the Rossmere Curling Club when I could barely make it through the crowd to the front for the crush of people reaching out to shake hands with their Chief.

Dief was fond of the phrase "in my day and generation". I am grateful that in my day and generation, however briefly, I had the opportunity to see that great Canadian in action. We should all hope when our day and generation are judged we will be able to say, however differently and however varied our ways of doing so might be, that we too served Canada with the loyalty and the love of this great country that John Diefenbaker demonstrated. May it always be said of us, as he said of himself, that though we might be on the wrong side from time to time, may we never find ourselves on the side of wrong.

• (1530)

The Speaker: I did not say at the beginning that the tributes were of course to John George Diefenbaker.

The tributes now are for Jean–Luc Pepin.

[*Translation*]

THE LATE JEAN–LUC PEPIN

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, last week, like all Canadians, I was deeply saddened to hear that Jean–Luc Pepin, who was one of my colleagues here in the House of Commons, had passed away.

He was elected in 1963, at the same time as I was, to represent a riding close to mine, near Drummondville on the other shore of the Saint Lawrence, and we began our career together. We even went back to university together. At that time, we were expected to be in the House in the evening. We both took courses in administrative law, so that we would be able to come to the House if there was a vote. We became good friends. We both had the privilege of studying, if I can use the term, under Mitchell Sharp. Mr. Pepin had been appointed parliamentary secretary to Mr. Sharp when he was at Trade and Commerce; I became Mr. Sharp's parliamentary secretary when he moved to Finance.

Jean–Luc Pepin was an intellectual who was actively involved in public life. One could not have wished for a nicer guy. He was kind to everyone, but at the same time he was extremely hard working. Any issue he was given would be examined in depth, so much so that he sometimes almost made himself ill through his thoroughness. I have rarely seen colleagues read through all the documents that had been prepared for them, but Jean–Luc Pepin certainly did.

Jean–Luc Pepin also had a broad vision of Canada. He always searched for solutions to our problems, and his participation in our very animated discussions, both in caucus and here in the House of Commons, was always followed with great interest. He was always well informed and constantly sought out new solutions.

[*English*]

He was a very good minister. He started as Minister of Industry, Trade and Commerce. He was the first among the ministers to visit China right after we recognized China 25 years ago. He led the first businessmen's mission to Latin America. When today as Prime Minister I am involved in visiting the same area, I cannot help but think about the vision and wisdom of Jean–Luc Pepin in doing his work as Minister of Industry, Trade and Commerce.

I remember he unfortunately lost an election in 1968, and he came back. It was a very amusing moment, because after—

[*Translation*]

When he lost the election, everyone deplored his loss and lamented the fact that Jean–Luc Pepin would no longer sit in this House. But suddenly, after a recount, he was back. He showed us all the glowing editorials that he had received and just as he was about to use them in the House in powerful speeches, he was ousted again following a judicial recount. He was absent from this House.

He served in numerous positions. He was a member of the Pepin–Robarts Commission and submitted a very important report which was widely discussed but which was not fully implemented. However, a good loser, he always accepted the decisions that were made, offering new solutions and never giving up. He chaired the commission on price and wage controls, something that was not easy to do at the time. He did so very tactfully and competently. Of necessity we became friends because when you are not from the big city of Montreal, when you come from the country, you tend to join ranks. He was a very good friend but first and foremost, he was an outstanding member of Parliament, an outstanding minister and a great Canadian. With his passing last week, our country has lost a great public servant.

• (1535)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, on behalf of my political party, I would like to pay tribute today to Mr. Jean–Luc Pepin, who passed away a few days ago.

Born in Drummondville in 1924, Mr. Pepin had a brilliant career both as an academic and a politician. He was first elected to the House of Commons in 1963 to represent the Drummond—Arthabaska riding.

In 1968, under the Trudeau government, he became the first Quebecer ever to be put in charge of an important economic portfolio when he was appointed Minister of Industry. During his career as a member of Parliament and a federal minister, he was at the centre of several major reviews and often had to meet tough challenges, including implementation of the metric system, transport deregulation and the development of a more open relationship between Canada and the People's Republic of China.

It is particularly important to mention the contribution of Jean–Luc Pepin as co–chairman of the Pepin–Robarts Commission, a working group set up to examine the constitutional and political problems facing Canada. Despite the extremely centralizing vision of the Trudeau government, this Quebecer had the fortitude to defend with conviction the concept of asymmetrical federalism. As we know, according to this concept, the province of Quebec would have been able to display its specificity and to have, as indicated in the commission's report, all the powers needed to preserve and develop its distinctiveness.

The rest is history, as we say. Pierre Trudeau and the current prime minister turned down the report before forever entrenching in the 1982 Constitution the principle of equality for all provinces.

We will remember Mr. Pepin for his exceptional contribution to the political debate which is still going on today. We will remember how this Quebecer tried without success to ensure that the right of Quebec to develop as a distinct entity was recognized.

On behalf of my colleagues in this House and on my own behalf, I would like to extend to his family and friends our deepest sympathy.

[*English*]

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I rise to join with other members of the House in paying tribute to the memory of Jean–Luc Pepin and his contributions to the public life of this country over the years.

On behalf of my Reform colleagues I would also like to extend our deepest sympathies to the Pepin family on their loss and indeed our country's loss.

The media and other speakers today have made reference to the long list of achievements and contributions to our national life associated with Jean–Luc Pepin. These include his contributions to academic life, particularly at the University of Ottawa, his contributions as a senior minister of the crown, including his proposals as Minister of Transport for reforming the Crow's Nest freight rate, and his contributions as co–chairman of the task force on Canadian unity. Of course on the subject of national unity, if some of those proposals had been brought forward and acted upon more vigorously we wonder where we would all be today.

What we find most memorable about the contributions of Jean–Luc Pepin is that in his case we not only remember what he did and proposed but we remember even more vividly and fondly the manner and the spirit in which he did it: his humour, his enthusiasm, and his positive outlook. I can remember being a young woman in Canada in my high school and university days and seeing a picture on television of some mysterious man that was so far away in eastern Canada. I remember that glint in his eye when he was being interviewed. It is a wonderful memory I carry of him.

In a country where too often the spirit of pessimism prevails, the cheerfulness and optimism of a man like Jean–Luc Pepin should not only be remembered but imitated. In so doing we would be paying fine and fitting tribute to a man and his memory. May all of us in this House remember the remarkable role model he has been to us in Canada.

We wish his family well and we sympathize with them.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): I thank you, Mr. Speaker, for this opportunity to pay tribute to the late hon. Jean–Luc Pepin.

Jean–Luc Pepin passed away a few days ago. This great Canadian, always gracious and charming, gave a good name to political life.

I first met Mr. Pepin as a student at Ottawa University where he taught political science.

Jean–Luc Pepin was first elected to the House of Commons in 1963 as member for Drummond—Arthabaska where he served until 1972.

• (1540)

A man of ideas which he expressed with the greatest of ease, he loved to serve his country. He was a firm believer in Canadian unity. He will probably be remembered for his significant contributions to Canadian life, especially his contributions to the Task Force on Canadian Unity know as the Pepin–Robarts Commission.

In 1979, he was reelected, but this time as member for Ottawa—Carleton which he represented until 1984. For the most part, this riding later became the new riding of Carleton—Gloucester, as a result of the 1988 readjustment of electoral boundaries.

It is for me a great honour to have been elected in the same riding as the hon. Jean–Luc Pepin who served it so well in the House of Commons as a minister and where he lived until his death.

I salute a man who defended both our official languages and promoted bilingualism across Canada. I salute a man who promoted Canadian unity with integrity, compassion, elegance and charm.

[*English*]

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, on behalf of the NDP caucus, I join with others in the House of Commons in expressing condolences to the family of Jean–Luc Pepin and say a few words about him by way of recollection on the basis of my own experience in this House between 1979 and 1984.

One should be honest and say that what I remember of Jean–Luc Pepin is fighting him on all fronts with respect to the Crow rate and VIA Rail cuts. He had the misfortune, I would suggest, of being assigned these tasks by the then Liberal government.

I suspected at the time that he was not always completely happy in the role he was assigned, especially when it came to the VIA Rail cuts, because I know that his father worked for CN and he had a railway background. He sometimes looked a bit uncomfortable, but he handled everything. He handled those issues as he handled everything, with a great deal of grace, a great deal of generosity, a great deal of humour, and with a kind of philosophical touch that one does not see all that often here in the House of Commons.

The thing I remember most about him was the sort of intellectual delight he took in argumentation and debate. He was

one of the few members of Parliament I can remember who sprinkled his debates on the Crow rate and other more seemingly practical issues with quotations or allusions to Sarte and Camus and Nietzche and various other philosophers whose works he was obviously familiar with.

I remember him as a great parliamentarian, a great Canadian, someone committed, as so many have said, to Canadian unity. It is unfortunate that at this very critical time in our history we will not have the voice of Jean–Luc Pepin being able to contribute to the debate that is upon us about Canada's future.

[*Translation*]

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, as I heard members pay homage to Mr. Diefenbaker and Mr. Pepin today, I could not help thinking that these two men, although coming from different parts of the country and having had very different, maybe totally opposite experiences, if they were with us today would both speak with equal fervour about Canada, each with his own point of view, as some others members in this House would.

Who knows, maybe it is a coincidence that we should be paying homage to both these men on the same day. As it has been said, Mr. Pepin was an intellectual but he was also a very sensitive man. He had an exceptional political career; that proves it is not always necessary to be aggressive to succeed in politics and it is not true that the political environment is always a very harsh one. On the contrary. Jean–Luc Pepin has always acted with a lot of tact and respect for others. It characterized his political career.

• (1545)

I am happy to stress that fact today for the benefit of all those who wonder if political men and women are people who still believe in the values Mr. Pepin cherished.

As my colleague just mentioned, Mr. Pepin was entrusted with very difficult departments and very complex issues. I am thinking, among other things, about the rail subsidies and the Crows Nest rate, two issues that were never easy to deal with, needless to say. He always took on the responsibilities with an exemplary sense of duty. He did the same thing when he co–chaired the Pepin–Robarts Commission. Colleagues from our party who had the pleasure and privilege of working with Mr. Pepin remember him as an absolutely exceptional man.

[*English*]

Jean–Luc Pepin and John Diefenbaker whom we have honoured today are two Canadians who, even though they came from two very different backgrounds, if they were with us in this House today would agree wholeheartedly on one thing and that is about Canada and its future.

On behalf of the party I represent and the men and women who knew him in this House I want to pay a special tribute to him. I extend our condolences to his family. I know he will be missed.

[*Translation*]

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, on September 5, the right honourable Jean–Luc Pepin, one of the most significant figures on the Canadian political scene since the 1960s, died on the eve of his 71th birthday. The death of this former member of Parliament and minister caught us by surprise. All those who knew him were also caught by surprise, but we also witnessed his numerous achievements and his departure can only fill us with sadness and nostalgia.

It was largely thanks to this great Canadian that our country adopted the metric system. It was mentioned earlier that it was also largely thanks to him that the Canadian government became more open to the People's Republic of China well before other countries did. The same goes for his work in the Department of Transport, with the elimination of the Crow rate and with Via Rail.

We will also long remember him for the Anti–Inflation Board and for the Pepin–Robarts Commission, whose findings still remain relevant today in any discussion concerning relations between the federal and the provinces. I wish I could avoid being partisan, because Mr. Pepin always avoided excessive partisanship. But after listening to some remarks, I cannot help but mention that, during a dinner that was held about ten days before his death, we had the opportunity to discuss the political issue of the day, the referendum, and I wish to note that, even though he was almost 71 years old, Mr. Pepin clearly said to me at the time that, if necessary, he would willingly agree to campaign for Canada.

I wish to thank him as a personal friend, as one of his students—because I was one—as his assistant, as an admirer and now as the member for Ottawa—Vanier. I would like to extend my condolences to the Pepin family as well as those who were close to this great political man.

[*English*]

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I first met the late Jean–Luc Pepin in 1979 when I was elected to this House. That was the year the Conservatives won the election against the Liberals.

Every time there is a change of government there is also a change of caucus rooms because each party has a different size caucus. Jean–Luc Pepin was advising me as a newly elected member on what and what not to do. He always gave 100 per cent of his time. He was so intent on talking to me that, when we arrived at the caucus room, the camera lights all flashed and I did not know what was happening. What happened is that he was so engrossed in advising me that we walked into the wrong caucus room. That is a bit of the humorous side of Jean–Luc Pepin. It shows how helpful he was to new members and when

he spoke to us he gave 100 per cent. When he listened he gave 100 per cent.

• (1550)

The Prime Minister mentioned about his term when he was parliamentary secretary to the Hon. Mitchell Sharp. I happened to be his parliamentary secretary in 1982–83 when he was Minister of Transport. Yes, I along with the late Jean–Luc Pepin faced the VIA Rail debates here and placards over our heads about the Crow bill, et cetera. He made the tough decisions. One thing about him is he listened to all sides before he made a decision. I think that is why he was so popular.

His immediate family and extended family can take great pride in the fact that he was a great Canadian. But we have not lost him; he will always be with us.

* * *

THE LATE DR. CHARLES WILLOUGHBY

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, it is my sad duty today to rise in tribute to Dr. Charles Willoughby who was a former member of this House.

Dr. Willoughby lived a long and very distinguished life practising medicine in the interior of British Columbia for many decades and serving as MP for Kamloops from 1963 through to 1965 when Davey Fulton was serving in provincial politics. He was said by one of his successors in the riding, now Senator Len Marchand, to have been regarded as one of the finest gentlemen of his community.

There are few Canadians who have been privileged to witness the unfolding of Canadian history as much as Dr. Willoughby who was born in rural Ontario 101 years ago when David Thompson was Prime Minister. He served in this House in the days of Prime Minister Pearson and Prime Minister Diefenbaker and indeed lived to see a fellow member of the class of 1963, the member from Shawinigan in turn become Prime Minister in 1993.

Dr. Willoughby wrote two books, one when he was 99 years old. One is called *From Leeches to Lasers* and is about the development of medicine. The other is titled *Shuswap Memories*, his warm, vivid and sympathetic recollections of his years in the Shuswap country in the early decades of this century.

Dr. Willoughby had four children, 20 grandchildren and 33 great grandchildren. I know everyone in this House offers their condolences to his family and friends at this sad time.

While it is sad to say goodbye to such a distinguished British Columbian and Canadian, I am sure that all of us also hope to enjoy as long and as rich a life as that of Dr. Charles Willoughby.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I want to pay tribute to Dr. Willoughby and, on behalf of all the members of the Bloc Quebecois, offer my condolences to members of his family and his friends.

Dr. Willoughby was a member of this House in 1963; you will understand that at that time I was only 21 years old and did not have the opportunity to know him. However, from the notes I have in front of me, I gather that he was 69 when he was elected for the first time to this House. I understand that Dr. Willoughby first made a career in medicine, devoting himself to his fellow men, and then at an age when most people take a well deserved retirement, he decided to devote a few more years of his life to the service of his fellow citizens of Kamloops.

This is indeed remarkable, and it must be said that since he died this year at the age of 101, public life obviously rejuvenates and gives a taste for life. On behalf of all the Bloc Quebecois members, I reiterate our deepest condolences to his large family, to his children and grand–children and to all his friends.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I rise today to honour the memory of Dr. Charles James McNeil Willoughby who passed away September 5 of this year in Kamloops, British Columbia.

Dr. Willoughby's life was a life of service to others. It is clear from his history that he with the support of his wife Marjorie recognized the full responsibility that comes with citizenship and actively sought to make his community a better place, a selfless characteristic we would all do well to emulate today.

• (1555)

From all accounts he was committed to Kamloops and her people as a physician and surgeon with the Burris clinic for 40 years, as a member of the Kamloops school board, as chairman of the United Appeal, and as the member of Parliament for Kamloops during the 26th Parliament. That commitment has now become his legacy, a legacy which has influenced many including his children, Marjorie, Lorene, Ann and John, his 20 grandchildren and his 33 great grandchildren.

During these times when outside forces pull against our families and our communities, people like Dr. Willoughby provide a strong and quiet leadership that inspires us to draw together.

To his three surviving children, Marjorie, Lorene and Ann, and to his daughter–in–law Berte, I send on behalf of my colleagues our deepest condolences. I hope they will find comfort in the knowledge that their father will be remembered as a courageous man who embraced the responsibility of making this place a better one.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, all of us who knew him were sad to hear recently of the passing of Dr. Charles Willoughby.

Dr. Willoughby was one of those rare individuals who certainly left a lasting impression with those who met him. I had the honour of knowing Charles Willoughby for more than 30 years, first when he was member of Parliament for Kamloops. He was one of those individuals who was admired by all. Even his political foes could not find a negative statement to make about him ever. He was loved by all who came in contact with him. He was a gentleman in the true sense of the word.

As others have indicated, he was a very dedicated family man. He was an admired doctor for decades. Again he was one of those rare individuals in that every patient who came in contact with him loved him and admired him. He was certainly a respected author. He was a distinguished parliamentarian. He was a proud citizen not only of the city of Kamloops but of the world.

Over the years I would encounter Dr. Willoughby at public functions and on the streets of Kamloops. He always had words of advice and suggestions and was always aware of the issues of the day. His family said that even beyond his 100th year when the evening news came on all became quiet to allow Charles Willoughby to be updated as to the events of the day.

He was a wonderful individual. The people of Kamloops loved him to the end. Our hearts and our thoughts go to his family today.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise to pay tribute to the hon. Dr. Charles James McNeil Willoughby.

The Progressive Conservative Party of Canada lost a great colleague this year and the people of Canada lost a great Canadian with the passing of Dr. Willoughby at the age of 101.

Before being elected to the House in 1963 as the member for Kamloops, British Columbia, Dr. Willoughby was a local icon who was very well known. He helped found and establish the very successful Burris Medical Clinic, a clinic which is still functioning and thriving today.

As was mentioned by the minister from British Columbia, Dr. Willoughby wrote a very insightful book, *From Leeches to Lasers* which detailed the medical advances during his life. The title accurately illustrates what technological and medical changes Dr. Willoughby saw during his lifetime.

Dr. Willoughby was renowned for being a staunch federalist whose love for his country was second to none. Even after his term as a parliamentarian Dr. Willoughby kept abreast of national events and is rumoured to have stopped to watch the evening national news every day regardless of what he had been doing.

Dr. Willoughby's then Dominion of Canada lapel pin was his trademark. It is with great pride that I recognize his contribution to Canadian politics. Our deepest sympathy goes out to the family of this wonderful great man.

ROUTINE PROCEEDINGS

• (1600)

[*English*]

PRIVACY COMMISSIONER

The Speaker: I have the honour to lay upon the table the report of the Privacy Commissioner for the fiscal year ended March 31, 1995, pursuant to subsection 41 of the Privacy Act.

[*Translation*]

Pursuant to Standing Order 32(5), this document is referred permanently to the Standing Committee on Justice and Legal affairs.

* * *

[*English*]

COMMITTEES OF THE HOUSE

APPOINTMENT TO BOARD OF INTERNAL ECONOMY

The Speaker: My colleagues, I have the honour to inform the House that Mr. Bob Ringma, member for the electoral district of Nanaimo—Cowichan, has been appointed as member of the Board of Internal Economy in place of Mr. Jim Silye, member for the electoral district of Calgary Centre, for the purposes and under the provisions of chapter 42 of the first supplement of the Revised Statutes of Canada 1985, entitled an act to amend the Parliament of Canada Act.

* * *

CANADA ELECTIONS ACT

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, in accordance with the provisions of Standing Order 32(2) and pursuant to subsections 198.1(2) and subsection 333.2 of the Canada Elections Act, I have the honour to table in both official languages copies of the Northwest Territories election fees tariff.

* * *

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's responses to 254 petitions.

Routine Proceedings

INTER-PARLIAMENTARY DELEGATIONS

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian delegation to the meeting of the Standing Committee of the Canada-France Inter-Parliamentary Association, held in Paris on May 23 and 24, 1995.

* * *

[*English*]

COMMITTEES OF THE HOUSE

HEALTH

Hon. Roger Simmons (Burin—St. George's, Lib.): Mr. Speaker, I have the honour to present in both official languages the fourth report of the Standing Committee on Health, entitled "Towards Holistic Wellness: the Aboriginal Peoples".

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report within 150 days.

Your committee decided to undertake a study on the health of aboriginal peoples following a request by one of the national aboriginal organizations.

[*Translation*]

The committee concentrated on the mental health of aboriginal peoples. It received written and oral evidence from numerous representatives of Indian, Metis and Inuit communities.

[*English*]

Following consideration of the evidence heard over the past year, your committee takes the position that all levels of government and representatives of aboriginal peoples must work jointly with communities to develop a comprehensive and co-ordinated plan for wellness.

[*Translation*]

Therefore the committee asks that the federal Minister of Health propose to the meeting of health ministers the immediate establishment of a consultative mechanism to allow development of a national action plan to improve the well-being of aboriginal peoples and that she present every year a status report on the plan to Parliament.

[*English*]

On behalf of the committee I want to thank all the witnesses who appeared before it, as well as the many community representatives who so warmly welcomed us during our visits across the country.

[*Translation*]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 84th report of the Standing Committee on Procedure and House Affairs dealing with the list of members of committees.

If the House gives its consent, I intend to move adoption of this report later today.

* * *

• (1605)

[*English*]

MOTIONS

MOTION M-377

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I ask for unanimous consent to withdraw my private member's motion, M-377. This issue has already been dealt with by the House of Commons.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

(Motion withdrawn.)

MOTION M-418

Mrs. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, I also respectfully ask for the unanimous consent of the House to withdraw my private member's motion M-418 from the Order Paper.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

(Motion withdrawn.)

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would move that we dispense with reading the 84th report of the Standing Committee on Procedure and House Affairs, which I presented to the House a few moments ago. I believe you would find unanimous consent that the following motion be put to the House and adopted immediately without debate:

That the 84th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

ELECTION OF COMMITTEE CHAIRPERSONS

Mr. Milliken: Mr. Speaker, I have another consent motion to put to the House.

I move:

That notwithstanding Standing Order 106(1), the several standing committees may meet for the purpose of electing a chair commencing at 9 a.m. tomorrow, September 19, 1995.

(Motion agreed to.)

* * *

PETITIONS

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition that has been circulating all across Canada. This particular petition has been signed by a number of Canadians from Alberta, Saskatchewan, and the Yukon.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession, which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill and the aged.

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

OFFICIAL OPPOSITION

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today pursuant to Standing Order 36 to present a petition. This petition not only bears the signatures of constituents from my riding of Okanagan—Similkameen—Merritt but also signators from across this country, including places such as Bath, Ontario, Seeleys Bay, Lansdowne, Ontario, and also Victoria, British Columbia.

The petitioners draw to the attention of the House that the Bloc Quebecois has publicly dedicated itself to a disloyal objective, that being the secession of the province of Quebec from the Canadian federation. Therefore, the petitioners call on Parliament to preserve unity, parliamentary tradition, and to protect the rights of all people of Canada by prevailing upon the Speaker of the House of Commons to recognize the Reform Party of Canada as the official opposition during the remainder of the 35th Parliament of Canada.

It is not only my duty but my privilege to present this petition on behalf of Canadians.

• (1610)

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition today on behalf of constituents who live in the area of Crossfield, Alberta.

This petition calls for a loyal opposition in the House of Commons. The petitioners call on Parliament to preserve Canadian unity, parliamentary tradition, and to protect the rights of all the people of Canada by prevailing upon the Speaker of the House of Commons to recognize the Reform Party of Canada as the official opposition during the remainder of the 35th Parliament.

SEXUAL ORIENTATION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present two petitions today.

The first group of petitioners is extremely concerned about including the phrase sexual orientation in federal legislation. They believe this sets a very dangerous precedent for society.

The second group of petitioners requests that the Government of Canada not amend the human rights act to include the phrase sexual orientation. The petitioners fear that such an inclusion could lead to homosexuals receiving the same benefits and societal privileges as married couples.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 172, 184, 189, 194, 202, 203, 206, 207, 211, 212, 213, 217, 219, and 220.

[*Text*]

Question No. 172—**Mr. Strahl:**

With regard to the special retirement allowance for deputy ministers approved by Treasury Board on July 14, 1988, (*a*) how many individuals are currently benefitting from this allowance and (i) how much pension is each individual receiving from the federal government per annum, using figures broken down by the amount of the allowance and the amount of the remainder of their pension, (ii) what is the list of their names, (iii) what was the last employment position they held before receiving the allowance, (*b*) how many individuals will be eligible to receive the special retirement allowance after the current fiscal year and (i) what is the list of their names, (ii) what is their employment position, (iii) how much will they be eligible to receive, using figures broken down by the amount of the allowance and the amount of the remainder of their pension, and since July 14, 1988, (*c*) how many deputy ministers have been recruited directly from the private sector, including crown corporations and what positions were they recruited from?

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Twenty individuals are benefiting from the allowance. The amount of the pension received by each individual cannot be released since it is considered personal information in accordance with the Privacy Act. For the same reasons, the names of individuals in receipt of a pension from the federal government cannot be released, nor the amounts.

It is not possible to determine how many people will be eligible to receive the special retirement allowance at a future date for example, after the current fiscal year. Deputy ministers serve at pleasure and they must retire to become eligible; the decision to retire is not always communicated ahead of time.

Furthermore, eligibility for pension varies in accordance with age and service at the date of retirement.

Since 1988 the number of deputy minister positions has been reduced by 19 per cent and one individual has been recruited directly from the private sector to a deputy minister position; he was the CEO at a consulting firm. Four other individuals appointed deputy ministers since July 1988 had recent experience outside the federal public service.

Question No. 184—**Mr. Caccia:**

What is the amount, if any, of direct and indirect federal subsidies received by MacMillan Bloedel Ltd. since 1950?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): I am informed as follows:

Human Resources Development Canada (Since 1985*)

Canadian Job Strategy Program—$1,667,036.00

Industry Canada (Since 1980*)

Industry & Labour Adjustment Program—$1,300,000.00
Industrial & Regional Development Program—953,000.00
Sector Campaign–Forest Products R&D/Innovation—3,829,303.00
Advanced Manufacturing Technology Application Program—15,000.00

National Research Council (Since 1966*)

Industrial Research Assistance Program—$4,268,000.00

Natural Resources Canada (Since 1989*)

Forestry Program—$638,010.00

Western Economic Diversification Canada (Since 1984*)

Western Diversification Program—$3,449,461.00

Industrial and Regional Development Program—866,561.00
(Former Department of Regional Industrial Expansion)

Enterprise Development Program—3,863,263.85
(Former Department of Industry, Trade and Commerce)

Regional Development Incentives Program—2,401,708.40
(Former Department of Regional Economic Expansion)

Date from which records are still available from the financial system.

Question No. 189—**Mr. White (North Vancouver):**

With regard to the rate of recidivism for persons convicted of first degree murder, second degree murder or manslaughter over the past 30 years, what has the government determined to be the number of those persons so convicted who, (*a*) reoffend, are formally charged and subsequently sentenced on a charge of first degree murder or, (*b*) reoffend, are formally charged and subsequently sentenced on a charge of second degree murder or, (*c*) reoffend, are formally charged and subsequently sentenced on a charge of manslaughter?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): In so far as the Ministry of the Solicitor General of Canada and its agency are concerned, the answer is as follows regarding the National Parole Board:

Prior to July 1976, murder was separated into capital and non–capital murder. The category of non–capital murder was established on January 4, 1968. Prior to that date all murder was capital murder. The categories of first and second degree murder were created on July 26, 1976 when capital punishment was abolished.

A review of statistical studies which examined the outcome of released murder and manslaughter offenders indicated that 19 offenders previously convicted of a homicide offence, manslaughter or murder, were convicted and reincarcerated for a second homicide between 1920 and 1990. This research revealed that six offenders were convicted of a second murder. Thirteen offenders originally convicted of manslaughter were reincarcerated for another homicide offence, five for murder offences and eight for a second manslaughter offence. The following is a summary of the findings of these studies.

On follow up of offenders previously convicted of murder, the National Parole Board 1990 followed murder offenders released between January 1, 1975 and March 31, 1990 to July 31, 1990[1]. This study indicated that five persons originally convicted of a homicide offence were reincarcerated for a second homicide offence.

There were 752 releases of murder offenders. Of these, 75 or 10 per cent had been convicted of capital murder, 513 or 68.2 per cent of non–capital murder, five or 0.7 per cent of first degree and 159 or 21.1 per cent of second degree murder.

Five—0.7 per cent of 752 releases—released murder offenders were reincarcerated for a second murder while on full parole. All five had originally been convicted of non–capital murder. Of the five, three were subsequently convicted of first degree and two of second degree murder.

Statistic Canada 1976 reported on a study which followed a sample of 232 murder offenders released on parole between 1920 and July 1975.

One murder offender—0.4 per cent of a total of 232—was convicted of a second murder.

On follow up of offenders previously convicted of manslaughter the National Parole Board's 1990 follow up study to July 31, 1990 of manslaughter offenders released between January 1, 1975 and March 31, 1990 revealed that 11 persons originally convicted of manslaughter were returned to custody for a second homicide offence.

There were 2,950 releases of offenders convicted of manslaughter. Of these, 1,407 were released on full parole and 1,543 on statutory release[2].

Five—0.4 per cent of a total of 1,407 releases of—those released on full parole were convicted of a second homicide offence: one for second degree murder and four for manslaughter.

Six—0.4 per cent of a total of 1,543—offenders released on statutory release were convicted of a second homicide offence: two for first degree murder, two for second degree murder and two for manslaughter.

Statistics Canada 1976 reported on research that examined manslaughter offenders who were involved in a second homicide offence between 1961 and 1974.

Two offenders originally convicted of manslaughter and released on parole were subsequently reincarcerated for a second manslaughter offence between 1961–1974.

Bibliography: National Parole Board 1990 *Follow-up of Manslaughter and Murder Offenders On Conditional Release* between January 1, 1975 and March 31, 1990 as of July 31, 1990, unpublished; Statistics Canada June 1976 *Homicide in Canada: A Statistical Synopsis,* Ottawa: The Minister of Industry, Trade and Commerce, Catalogue 85–505E.

[1] The length of the follow up period will vary from 15 years, for those released in 1975, to a few months for those who left prison in 1990.

[2] prior to 1992 statutory release was called mandatory supervision.

Question No. 194—**Mr. Mayfield:**

Since the end of the private contract for operating the Loran C Station at Riske Creek, B.C. and the takeover by the Canadian Coast Guard in November 1994, (*a*) how many public service personnel have been relocated to Riske Creek, and what are their rank and where were they transferred from, (*b*) are any new personnel to be deployed or hired at Riske Creek after April 1, 1995, (*c*) how many of the existing staff have been released, (*d*) what new furniture and equipment have been provided for the station since September 1994, and at what cost, (*e*) do any personnel commute to Riske Creek from Vancouver and if so, how frequently do they commute and at what cost, (*f*) how many hours of overtime by staff members have been incurred and at what dollar cost, (*g*) how much money, broken down by expenditure, has been budgeted for the total operation for the year 1995/96 for the station, (*h*) what was the cost of operating the station since the November 1994 takeover, up to and including March 31, 1995?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Two public service personnel have been relocated from Vancouver area to Williams Lake. They are one EL–06 and EL–07, EL–Electronics. There are plans to hire one part time clerical staff for Riske Creek after April 1, 1995. No staff has been released at Riske Creek Loran C station. Modular office furniture has been purchased at a cost of $11,406.23 in lieu of building renovations. No personnel commute from Vancouver to Riske Creek at government expense. Overtime for period November 1994 to end of April 1995 was 167.5 hours at a cost of $11,959.57.

The following is the 1995/96 budget for the station:

Salary—452.3K
Overtime—57.2K
Other personnel 7.3K
Travel—4.3K
Fuel—7.3K
Other costs—157.1K
Total—685.5K

This budget is in accordance with the cost figures utilized in the cost benefit study which determined that it was more cost effective to operate the Loran C station at Williams Lake with the Canadian Coast Guard, CCG personnel than using a contractor. The 685.5K budget is made up of the two following main elements:

Personnel costs—516.8K
Other costs—168.7K

Personnel costs, 516.8K are those to be compared to the contract cost, 680K, and are within the cost benefit analysis range costs of 514K to 574K. The other costs, 168.7K, are related to the maintenance and repair of the equipment and had also to be paid by CCG when the station was operated by a contractor. The cost of operating the station from the November 1994 takeover to March 31, 1995 was $253,287.00.

Question No. 202—**Mr. Gilmour:**

What are the individual and total costs incurred by the deputy minister of the environment regarding office renovations, furniture, vehicles and sundries from October 20, 1994, to the present?

Hon. Sheila Copps (Deputy Prime Minister and minister of the Environment, Lib.): The following lists the individual and total costs incurred by the deputy minister of the environment regarding office renovations, furniture, vehicles and sundries from October 20, 1994 to the present.

Type of expense	Amount
Furniture	0
Renovations	$525.00
Sundries	$4,466.17
Vehicles	$21,046.00
Total expenses	$26,037.17

Renovations

Date of expenditure	Details	Amount
January 25, 1995	Refinish presentation board	$275.00
February 21, 1995	Installation of presentation board	$100.00
February 21, 1995	Installation of screen in boardroom	$150.00
Total expenses—Renovations		$525.00

Sundries

Date of expenditure	Details	Amount
October 20, 1994	Removal of car phone	$49.95
January 6, 1995	Purchase of glass for credenza	$70.00
January 6, 1995	Printing of business cards	$129.00
January 25, 1995	Purchase of cellular phone	$403.00
February 21, 1995	Car plate renewal	$66.00
February 21, 1995	Electronic organizer	$131.95
February 21, 1995	One year subscription—Globe and Mail	$213.20
February 21, 1995	Rental of video equipment	$113.00
February 27, 1995	Cable services	$28.07
February 27, 1995	Meeting room rental	$310.00
March 23, 1995	Purchase of easel	$48.00
March 23, 1995	Purchase of computer equipment	$1,429.00
March 27, 1995	Meeting room rental	$250.00
April 4, 1995	Purchase of computer equipment	$590.00
May 10, 1995	Fees for Apex Symposium	$635.00
Total expenses—Sundries		$4,466.17

Vehicle

Date of expenditure	Details	Amount
January 25, 1995	Purchase of new vehicle to replace 5-year old car.	$21,046.00
Total expenses—Vehicle		$21,046.00

Question No. 203—**Mr. Speaker (Lethbridge):**

Given the economic projections laid out in the February 1995 budget, (*a*) what will the federal debt be in five years and (*b*) what will be the corresponding interest payments per year (based on an interest rate of 8 per cent)?

Mr. David Walker (Parliamentary Secretary to Minister of Finance and Minister responsible for the Federal Office of Regional Development–Quebec, Lib.: The February 1995 budget presented economic and fiscal projections for 1995–96 and 1996–97. The government has stated it will not be doing medium term projections because of the uncertainties involved. Instead, it is committed to put out two year rolling deficit targets and taking whatever actions are required in order to ensure those targets are met. By doing so the federal government will be moving on a firm path toward the government's ultimate goal of balancing the budget.

Interest costs projections for 1995–96 and 1996–97 were presented in the budget. Interest costs are projected at $49.5 billion for 1995–96 and $50.7 billion for 1996–97.

Question No. 206—**Mr. Gilmour:**

What was the total dollar amount direct and indirect, and source of government funding included in the 1995–96 estimates to the western Canada wilderness committee?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): From April 1, 1995 to the date of the question, the following departments and agencies have not provided any source of funding to the western Canada wilderness committee: Canadian International Development Agency, Department of Canadian Heritage, Environment Canada, Human Resources Development Canada, National Capital Commission, Natural Resources Canada.

Other departments and agencies have not been requested to provide an answer to this question as they had not provided funding to western Canada wilderness committee in previous years.

Question No. 207—**Mr. Gilmour:**

What are the sources and amounts of government funding per annum from 1990 to the present, including the 1995–96 estimates, to Native Trappers School of B.C. Canada and to Fritz Dueck and/or Sigi Dueck of British Columbia?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): The government has no record of financial assistance having been awarded to the Native Trappers School of B.C. Canada and to Fritz Dueck and/or Sigi Dueck of British Columbia.

Question No. 211—**Mr. Calder:**

Concerning Lyme disease in Canada, (*a*) how can some areas of Canada be reported as non-endemic when a thorough examination of vectors/hosts for the Lyme disease bacteria has not been conducted, (*b*) why has Lyme disease not been made a national reportable disease, (*c*) what is the total number and location of Lyme disease incidences in Canada, (*d*) what information is provided to health care providers to identify Lyme disease, (*e*) why are there no protocols to force health care officials to report cases of Lyme disease, and (*f*) why doesn't the government provide information for people to protect themselves against the disease?

Hon. Diane Marleau (Minister of Health, Lib): The following information is based on current information on the relevant tick vectors in Canada. The most significant of these ticks from a human health perspective are *Ixodes scapularis* and *Ixodes pacificus*. Although *I. scapularis* have been identified in different regions of Canada, the only place in Canada where this tick species has been shown to be endemic at present is Long Point in southern Ontario which is an identified Lyme disease endemic area. Similarly, the important tick vector *I. pacificus* is endemic in parts of British Columbia and these have been identified as Lyme endemic areas. If reports of the Lyme disease bacterium in other ticks species can be substantiated these endemic areas will be expanded.

A disease is made nationally "notifiable" on the recommendation of the advisory committee on epidemiology, ACE. In 1988 a subcommittee of ACE recommended 12 criteria to determine the importance of a disease for making it nationally notifiable. On the basis of these criteria a number of diseases were scored high enough to be included in the list of nationally notifiable diseases; however, Lyme disease was not included in this group. The methods, criteria and list of diseases were published in the Canada Communicable Disease Report in 1991, 20 April; vol 17–16.

The process used by ACE recognised that "notification" was not always the most appropriate method for studying the epidemiology of a particular disease and that other approaches such as the use of sentinel reporting sites or laboratory based reporting might provide more meaningful information in some circumstances.

For question (c):

Alberta—3
New Brunswick—9
Quebec—1
Ontario—210
Manitoba—17
Saskatchewan—1
British Columbia—14

The Canadian consensus conference of Lyme disease published in two venues—the Canada Communicable Disease Report and the Canadian Journal of Infectious Disease—initially provided guidelines. Updated information when available has been published in the Canada Communicable Disease Report.

The legal mechanism to ensure reporting of a specific disease is to make it "reportable" and the legal mechanisms for doing this reside at the provincial government level. For a disease to be nationally notifiable requires each jurisdiction to legislate separately for the disease to be "reportable" within that jurisdiction.

Information is made available to the public from health units in the known endemic provinces of British Columbia and Ontario. The Ontario fact sheet is currently being updated.

Question No. 212—**Mr. Calder:**

Concerning the Consensus conference on Lyme disease (1991), why has the statement not been updated with regard to (*a*) identification of endemic areas for Lyme disease in Canada, (*b*) identification of symptoms, and (*c*) methods of diagnosis by newer, more effective antibiotics?

Hon. Diane Marleau (Minister of Health, Lib.): The consensus statement is the joint summary of opinion of all participants and as such stands on its own. Consensus conferences do not often have further updates to them and there has been no update to the Lyme disease conference. However there has been some addition information published in the Canada Communicable Disease Report on the identification of British Columbia as an endemic area for Lyme disease in Canada.

In addition isolation of the Lyme disease bacterium from ticks collected near Thunder Bay, Ontario and Alberta has been reported in the Canada Communicable Disease Report and isolation of the Lyme disease bacterium from ticks in Prince Edward Island has been reported in an international journal as well as at an international borreliosis conference in Vancouver organized by the Vancouver, B.C. Lyme Borreliosis Society.

These latter reports do not provide evidence that Lyme disease is endemic in Alberta, Northern Ontario or Prince Edward Island since the currently recognized relevant tick vectors have not been shown to be endemic in these regions but they serve to show that there may be a low level of risk for humans to contract Lyme disease in these areas.

There has been no update on the topic of symptoms but the concensus conference statements are still basically applicable. As noted in the concensus conference statement, Lyme disease is an illness with dermatological, neurological, cardiac and/or rheumatological features. There may be localized manifestations of Lyme disease which relate to the erythema migrans rash, an expanding, erythematous skin lesion commonly seen at the site of the tick bite of many patients. In addition disseminated Lyme disease may include neurological forms of disease such as Bell's palsy, cardiac manifestations and arthritic involvement characterized by recurrent, brief attacks of large joint swelling in one or a few joints.

Recommendations for the treatment of Lyme disease do change with time but the basic recommendations for treatment involve the use of various beta–lactam—pencillin family—and tetracycline antibiotics. Treatment regimes will vary depending on factors such as the stage of Lyme disease, the age of the patient, and the specific clinical manifestations of the patient. The topics of methods of diagnosis and antibiotic treatment have been further addressed by the Canadian Paediatric Society which published a position paper in the Canadian Medical Association Journal Volume 147 pages 169–172, 1992.

Question No. 213—**Mr. Calder:**

How much money has the Government of Canada spent on Lyme disease research since 1985 and what are the titles of the resulting studies?

Hon. Diane Marleau (Minister of Health, Lib.): Since 1985 Health Canada, through the national health research development program, NHRDP, has granted funding of $209,544 for one study on Lyme disease.

The study was done by Dr. Ian Barker of the University of Guelph, and was entitled "Factors Influencing the Distribution of Lyme Disease". The funding per year was as follows:

1989/90—$22,068
1990/91—$46,610
1991/92—$42,914
1992/93—$63,152
1993/94—$24,800
1994/95—$1,000
1995/96—$9,000

Question No. 217—**Mr. Simmons:**

What action will the government take in reference to the claim made by the Auditor General in his May 1995 report to Parliament that, with respect to the Drugs Directorate and Medical Devices Bureau, (*a*) "key issues identified in past studies still remain outstanding", and (*b*) "many of the changes recommended—are still not fully implemented", and what specific measures are being developed to deal with high risk products and devices?

Hon. Diane Marleau (Minister of Health, Lib.): Regarding drugs, there have been a number of studies over the last ten years with many recommendations and many of them contradictory. Consequently, two years ago the drugs directorate developed a major re-engineering initiative called drugs directorate renewal and has been pursuing an intensive process in which all aspects of its operations have been reviewed and streamlined within an environment of scarce resources. Over that period of time the directorate has consulted fully with all stakeholders. The drugs directorate has made many changes to its programs and policies with the aim of streamlining operations and fixing "known" problems. While the auditor's report recognizes the strengths of this renewal exercise, it does not adequately recognize the progress made in several areas.

The drugs directorate regulates a wide range of drugs, including radiopharmaceuticals, biologics and narcotics. These products represent different risks and the drugs directorate systems are designed according to these risks. Specifically in the area of high risk drugs, the drugs directorate has significantly improved its review performance without jeopardizing the well-being of Canadians. Approval times for submissions received and approved since January 1993, when a new policy was implemented, show substantial decreases in time taken.

The government was and is continuing to take action with respect to the key issues identified in past studies and on specific measures to deal with high risk medical devices.

As part of the review of federal regulatory program, the Minister of National Health and Welfare established in 1992 a medical devices review committee, known as the Hearn committee, to review the existing infrastructure and make recommendations on the regulation of medical devices in the future. The committee's report, "Direction for Change", was released in August 1992. The report identified the key issues as well as made recommendations with respect to regulation of medical devices. The minister accepted the committee's recommendations in principle. Subsequently the health protection branch, HPB, developed a strategic implementation plan entitled "Development Plan for Improved Medical Devices Program" which was endorsed by the Hearn committee in April 1993.

In accordance with the recommendations of the development plan, the following key issues have been addressed or are in process.

Regarding re-engineering of the medical devices program, a separate "medical devices bureau" was established in September 1993. To improve the level of service to its clients, the medical devices program was further consolidated by functionnally linking medical device staff in the five HPB regional offices to the bureau. Key management and staff positions have been filled within the bureau. An improvement in service has been achieved by developing and implementing internal standards operating procedures. The backlog of submissions awaiting review has been eliminated.

Regarding risk based approach to manage medical devices in the Canadian market place, with the help of an advisory committee comprising medical devices stakeholders, a risk based classification system, RBCS, for medical devices has been developed. The intent of the risk based classification system is to ensure that a device is given an appropriate level of scrutiny based on the risk it presents to its user.

A set of proposed regulations based on the risk based classification of devices has been developed and released to the program's clients for their input.

Regarding cost recovery initiative the cost recovery initiative received approval from the Treasury Board on May 18, 1995. The program will charge a range of fees commensurate with level of the services provided to the medical device industry. The proposed fee schedule has been published in Canada Gazette I, June 10, 1995.

Regarding improved communications with clients of the medical devices program, managers of the program now meet with representatives of medical device industry regularly to discuss matters of common interest.

Consultation sessions are being held with the program clients to obtain their input in developing new regulatory requirements and in implementing cost recovery.

In addition to the existing publications, information letters, medical devices alerts, dear doctor letters, it is your health, a newsletter entitled "Medical Devices Bulletin" has been introduced to enhance external communications. The first issue was published in June 1995.

A medical devices bulletin board service has been established to provide program related information to medical device clients electronically.

A communication plan for the program is being developed with the help of a consultant.

A new computer system has been installed to operate the program's various databases. Program clients have access to these databases.

Regarding international harmonization the risk based classification system and proposed regulations were developed keeping international harmonization in mind.

Mutual recognition agreements are under consideration. Canada is negotiating with the European Union, EU, to ease market access for Canadian products into Europe and vice versa. The proposed agreement would enable Canadian manufacturers to meet EU regulatory requirements in Canada in a cost effective manner and simplify the process for Canadian exporters to get needed EU approval based on mutual recognition of testing and certification procedure.

Similar negotiations are being initiated with the United States of America.

Question No. 219—**Mr. Simmons:**

With respect to the family violence initiative, (*a*) why did Health Canada choose not to renew the initiative in March 1995, (*b*) what will happen to the community projects which were largely funded through grants under the initiative, (*c*) what specific areas were deemed priorities following the federal–provincial consultation on ways of combating family violence, and (*d*) is Health Canada planning to develop a new policy on family violence in 1995–1996?

Hon. Diane Marleau (Minister of Health, Lib.): Activities to reduce family violence have been extended for 1995–96 with resources of up to $30.28 million government wide. During the year the government will ensure that action is effective, focused and integrated into a broad federal strategy to reduce all types of violence, including family violence.

About 74 per cent of the resources for 1995–96 will be used to support shelter housing, services for on–reserve First Nations and Inuit communities, and community action projects. As well, the National Clearinghouse on Family Violence will continue serving as a national resource centre for communities across the country.

Twelve million, three hundred thousand dollars of the $30.28 million is being allocated to First Nations and Inuit communities. The funding will be used to help First Nations and Inuit communities continue prevention, intervention and treatment, research, evaluation and professional training to reduce family violence.

Provincial/territorial governments, non–governmental organizations and other stakeholders have acknowledged that federal leadership is needed to co–ordinate a national, cross sectoral response to family violence. The federal government will continue to play a leadership role on family violence within the resources allocated for the year, through co–ordinated, strategic activities. One of the federal government's objectives is to determine how best to integrate family violence work into a broader strategy to reduce all violence in Canadian society. The federal government, primarily through the justice department, will lead this activity. In addition, the federal government will continue to work with other levels of government, non–governmental organizations and the private sector to build on the work to date on family violence.

During 1995–96 the federal government will support shelters for battered women and children, community based action, services for First Nations on–reserve and Inuit peoples, criminal justice reform, training of RCMP members, treatment programs for federal offenders, and the activities of the National Clearinghouse on Family Violence.

Also during 1995–96 the government will review its family violence activities to ensure they are effective, focused and integrated into a broad, federal strategy to reduce all types of violence, including family violence.

Question No. 220—**Mr. Cummins:**

With regard to the turbot fishery off Canada's east coast and NAFO allocations or quotas, (*a*) what percentage of this years total allowable catch (TAC) is to be caught by Canadian vessels, (*b*) what percentage of the Canadian allocation or quota is to be caught by Canadian vessels, (*c*) what percentage of the TAC is to be caught by Russian vessels, (*d*) what percentage of the Canadian allocation or quota (northern zone) is to be caught by Russian vessels, (*e*) what percentage of the TAC (northern zone) is to be caught by French vessels, (*f*) what percentage of the TAC (southern zone or nose and tail of the Grand Banks) is to be caught by French vessels; other European Union vessels; Japanese; Russian; Korean; or flagged vessels of other NAFO states, (*g*) is the French catch as provided for in the recent Canada–France agreement counted as part of the EU or Canadian allocation—if Canadian, why is it treated as part of the Canadian allocation as opposed to the EU allocation?

Hon Brian Tobin (Minister Fisheries and Oceans, Lib): (a) 37 per cent of the 1995 total allowable catch of Greenland halibut in subareas 2+3 is allocated to Canada; (b) 99.33 per cent of the Canadian allocation is to be fished by Canadian vessels, (see e); (c) 11.85 per cent of the TAC is to be fished by Russian vessels; (d) 0 per cent of the Canadian allocation or quota in the northern zone 2+3K is to be fished by Russian vessels; (e) 3.5 per cent of the subarea 2 part of the northern zone, 2+3K, 210t in 1995, is allocated to France; (f) 0 per cent of the TAC of the southern zone, 3LMNO, is allocated to France, 50 per cent to the European Union, 13 per cent to Japan, 16 per cent to Russia, no part of the TAC has been specifically allocated to Korea, 7.5 per cent allocated to other NAFO members including Korea; (g) the French catch is counted as part of the Canadian allocation as it is provided for under the Canada–France fisheries agreement.

[*Translation*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if questions Nos. 145, 199, 200 and 221 could be made orders for return, those returns would be tabled immediately.

The Speaker: Is it the pleasure of the House that questions Nos. 145, 199, 200 and 221 be deemed to have been made orders for return?

Some hon. members: Agreed.

[*Text*]

Question No. 145—**Mr. Shepherd:**

Regarding the proposed registration of firearms, would the government, (*a*) provide a detailed and comprehensive accounting showing the projected cost of the administration of such a system, with all costs both incidental and specific to be taken into account, (*b*) allocate these cost projections between those costs to be absorbed or recovered from legal gun owners and those to be borne by the general public, (*c*) provide all statistical assumptions taken into consideration in arriving at these projections and (*d*) in the case of the general public's allocation, show this cost on a per taxpayer basis?

(Return tabled.)

Question No. 199—**Mrs. Brown (Calgary Southeast):**

For the period from October 1993 to the present, what are the detailed breakdowns of funding from the Cultural Initiatives Programs in the Department of Canadian Heritage, exactly what was each project, what individual or organization received it, if it was specifically in a riding which riding was it in, exactly how much was each allocation of funds, what was the date of application for the funding and what was the date of approval?

(Return tabled.)

Question No. 200—**Mr. Hanger:**

How many minister's permits were issued by the Department of Citizenship and Immigration in 1994?

(Return tabled.)

Question No. 221—**Mr. Cummins:**

With regard to fishing activity within the 200 mile exclusive economic zone, (*a*) what NAFO nations will Canada allow inside the 200 mile exclusive economic zone on the east coast in 1995–96 to catch national allocations, and for which species of fish, (*b*) what nations will Canada be allowing to fish inside the 200 mile exclusive economic zone on the west coast, and for what species, (*c*) to the government's knowledge, what other nations allow foreign countries to fish inside their 200 mile exclusive economic zone?

(Return tabled.)

[*Translation*]

Mr. Milliken: I suggest that the other questions be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

REQUEST FOR EMERGENCY DEBATE

QUEBEC REFERENDUM

The Speaker: I have a request for an emergency debate. The hon. member for Roberval has today, prior to this afternoon's sitting, sent me a letter describing the matter he wishes to discuss today.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in accordance with our Standing Orders, my comments will strictly concern the contents of my letter. Under Standing Order 52, I request leave for an emergency debate on the federal government's recognition of the legitimate right of the people of Quebec to decide, in the forthcoming referendum, on their political future.

This request is particularly timely, considering the ambiguity that remains after today's Question Period. On September 12, 1995, the Minister of Labour made contradictory statements about the federal government's recognition of the referendum results.

The Prime Minister of Canada, on the other hand, did not clearly express the position of the federal government in this respect nor did he clarify satisfactorily what was said by the minister. A very substantial doubt remains, and the people of Quebec and Canada need to know the real position of the federal government regarding the results of the referendum exercise in Quebec. Disturbing comments made by the Prime Minister during Question Period lead us to conclude that his position would be not to accept the results of the referendum in Quebec.

Considering the importance of what is at stake, you will understand, since it is impossible to consider, on short notice, another occasion on which the matter could be put before the House, I think it is in the public interest that parliamentarians should have a chance to discuss this fundamental question and express their views to the government as soon as possible. I wish to stress the urgent nature of this debate.

In concluding, I simply wish to say I did some quick research and found that in 1977, Prime Minister Pierre Trudeau moved a motion for debate on Canadian unity. The motion was accepted, and the debate was a very important one. After the speech from the Throne in April 1980, there were seven days of debate on the issue of national unity, and I found that the people who took part in these discussions stressed their importance at the time.

In this perspective and considering what is now happening in Quebec, I think it would be important for the House of Commons to obtain approval for an emergency debate. Thank you.

• (1615)

SPEAKER'S RULING

The Speaker: First of all, I wish to thank the hon. member for this letter. I paid close attention to what he said today. As one might expect, it goes exactly along the lines of the letter.

[*English*]

In my opinion all of the criteria are not met at this point to have an urgent debate on this. My ruling would be that at this time it is not necessary for an urgent debate on this particular matter.

GOVERNMENT ORDERS

[*Translation*]

AUDITOR GENERAL ACT

The House resumed consideration of the motion that Bill C–83, an act to amend the Auditor General Act, be read the second time and referred to a committee.

The Deputy Speaker: The hon. member for Frontenac had the floor before question period. He has 11 minutes remaining.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I can see that your memory is excellent. Not only did you recognize me, but you were also able to tell me that I had 11 minutes remaining. I shall take up at the very word were I left off.

Let us now ask ourselves the question: Does the Office of the Auditor General have the tools required to take on these new tasks? It is well known that producing the auditor general's report every year requires a lot of work. It is therefore reasonable to wonder whether the auditor general will have enough time, and enough resources particularly, to prepare, on top of it all, a specific report on the impact of the many contradictions contained in the remarks made by the Minister of the Environment.

The answer to this question however was provided by the auditor general himself in his testimony before the Standing Committee on Environment and Sustainable Development. At that time, Mr. Desautels told the committee that, depending on the scope of the mandate given to the function contemplated, his office could carry out the related responsibilities.

He also indicated that his office was already spending $4.5 million per year, or 7.5 percent of its total budget, on auditing programs that have a direct impact on the environment. He figures that his office could fulfil its parliamentary obligations with an additional $4.5 million, which would bring to $9 million the total budget allocated to the environment alone.

Officially, no amount has yet been set aside for this purpose. Unofficially, however, the auditor general has received the amounts he had requested in order to assume these new responsibilities. This fact and the comments made by the minister during an interview she gave last October suggest that she had to do some arm–twisting.

In fact, the minister's comments suggest that she understands the validity of the Bloc's argument that this mandate should be given to the Office of the Auditor General since, in a press release dated April 25, she describes this office as independent, influential and highly respected.

• (1620)

The bill provides not only that the Commissioner of the Environment will report directly to the auditor general but also that his first duty will be to help him fulfil his mandate with regard to the environment and sustainable development. For example, the commissioner will examine how effective departmental action plans are in meeting the objectives set out in the departments' sustainable development strategies.

Second, he will have to follow up on all petitions received from Canadian residents and dealing with the environment and sustainable development in accordance with the bill's provisions.

Third, the commissioner will make any examinations and inquiries that he considers necessary in order to monitor the extent to which departments have met the objectives set out in their sustainable development strategies.

Fourth, the commissioner will, on behalf of the auditor general, report annually to the House of Commons, including on the extent to which departments have implemented the plans set out in their sustainable development strategies, as well as on anything that he considers should be brought to the attention of that House in relation to other environmental issues.

The official opposition does not intend, at least for the time being, to challenge the mandate that the minister wants to give to the commissioner of the environment. However, we deplore the fact that, ultimately, the commissioner will merely have the power to make suggestions.

He will of course review environmental issues, look at citizens' concerns and follow up on these with the concerned departments, as well as conduct various studies and inquiries for the purpose of his report, as Mr. Desautels already does. But given the way this government has always treated the auditor general's recommendations, it can be assumed that the commissioner of the environment's report will be treated exactly the same way and will be left to gather dust on a shelf like so many other such documents.

A few minutes ago, I listened with great interest to the tribute paid to the late Jean–Luc Pepin, who represented the riding of Drummond, just a few kilometres from my riding. Jean–Luc Pepin, who strongly believed in the duality of Canada's nations, prepared a famous report, the Pepin–Robarts report. As you know, Mr. Speaker, that report is still sitting on a shelf, buried under six inches of dust. The report tabled each year by the auditor general, Mr. Desautels, tells us about a few administrative horrors from this government, which triggers a big show lasting two or three weeks. It was the same when the Conservatives were in office. We talk about a lot about the report during

the first week, a little less in the second week, and a great deal less in the third week. Then the report is tossed onto a shelf.

Therefore, if we are going to spend nine million dollars a year to produce yet another report which will just collect dust, the official opposition will be quick to withdraw its support for this amendment to the Auditor General Act.

A report should shake us up, stir us to action. I remember that, as agriculture critic, I noticed in the last report that hundreds of thousands of dollars were spent on sunflower seeds to feed small birds.

• (1625)

We spent almost a million dollars on a totally unwarranted expenditure, that was a waste, pure and simple. While some people in our society go hungry, we spend several hundred thousand dollars to buy sunflower seeds to feed birds.

Worse, my political assistant in my riding told me this morning that he had received two calls about some headline in today's newspapers which stated that Canada is the second richest country in the world and that each of its citizens is worth a billion dollars. That is right: one billion, not one million. My riding office got a phone call from one of my constituents who says he is ready to sell his share at a reduced price. It is a bargain, at a thousand to one or even a million to one. If you want to make a good deal with my constituent, he is willing to sell for a good price. If you ran an ad in the *Courrier Frontenac*, in my riding, I am sure quite a few would be ready to sell.

In a more serious mode, reports by the new commissioner of the environment and sustainable development should not be left to gather dust on a shelf, with no action taken, because it would be simply wasting $9 million annually.

Like my colleague from Charlevoix just said, we are now closing down employment centres that are 85 per cent paid for by the UI fund, that is by the workers themselves. Considering that the fund is supposed to have a $6 billion surplus, not a deficit, this year, it is a disgrace that we should eliminate services that pay for themselves.

It is really frustrating that workers should have to fight to keep their local employment centres that are functional and responsive.

In the last minute remaining, I would like to remind you about an oil barge that is still sitting on the bottom of the sea, halfway between the Magdalen Islands and Prince Edward Island. Last week was the 25th anniversary of the sinking of that barge, obviously an accident. Need I ask which party was the ruling party in Canada in 1970? I remember which party replaced in 1984 the one that was in power in 1970, and the one that has now been in power for two years already under the Right Hon. Prime Minister and member for Saint–Maurice.

However, this situation has been going on for 25 years. We do not need an auditor for the environment and sustainable development to know that this barge is down there, that it has rusted out and is now leaking hundreds of gallons of bunker C oil and oil contaminated with PCBs.

Mr. Asselin: The Prime Minister says that everything is hunky–dory.

Mr. Chrétien (Frontenac): Everything is hunky–dory, indeed. So we have an environmental catastrophe waiting to happen. I ask you to do something, Mr. Speaker, and tell this Minister and this government to wake up.

Mr. Speaker, I thank you for your kind attention.

[*English*]

Hon. Charles Caccia (Davenport, Lib.): It is important, Mr. Speaker, to very briefly indicate that if this bill is before the House in this form it is thanks to the efforts of the Minister of the Environment who certainly had to overcome a number of obstacles in ensuring that this measure would be advanced as legislation. Even if it does not fulfil all of the recommendations that the committee put forward it still represents a remarkable step forward.

• (1630)

I listened to the intervention of the hon. member for Charlevoix and his remarks about the *Irving Whale* which were also made by other members in the course of the discussion today. One thing is certain. Had we had in place a commissioner on sustainable development monitoring and reporting, that kind of role would have permitted the catching much earlier of the shortcomings of the Department of Transport and other affected departments. It would have, if not prevented, at least rectified the matter much sooner. Therefore it is only fair to conclude that we are moving in the right direction with this measure.

I must say the member for Comox—Alberni put forward in a very straightforward manner the criticism that one would actually expect from the official opposition. He did that in his usual frank style, which I fully respect. Of all of the points he made perhaps there was only one in which he was slightly off the mark, namely by saying that the proposals in the bill before us today did not fulfil or reflect the promise made in the Liberal Party's red book.

As far as I can recall, the bill before us reflects that promise very well. It is not proposing a clerk, as the member for Comox—Alberni repeatedly said. It is proposing the creation of a position of a commissioner, which is quite different from that of a clerk.

Also it needs to be stressed that the commissioner and the bill create a completely new role in the Department of the Auditor General, because the act itself under which the auditor general is operating is being amended. Once the legislation goes through it will read: "an act respecting the Office of the Auditor General of Canada", as it does now, but will have added to it: "and sustainable development monitoring and reporting".

This is not a minor step. It is a remarkable one. It inserts in the mandate of the auditor general the importance of monitoring sustainable development strategy and implementing the meaning, significance and the interpretation of sustainable development. That is no minor feat.

It is sad that the member for Laurentides indulged in referendum matters and in the bashing of the Prime Minister in a manner that somehow serves another agenda than that of the bill before us. It is unfair and unreal to claim that the environment is being used by the federal government as a pawn to intervene or interfere in provincial jurisdiction.

For heaven's sake, as other reports from departments have done, the bill ensures that the measure being proposed is clearly and specifically restricted to the jurisdiction of the federal government. Therefore it is rather absurd to claim that the federal government is attempting, as the member for Laurentides said, to centralize, to impose massive centralization or to give more power to itself. The bill certainly does not do that.

Moving on to the substance of the measure and having listened to the minister, it seems clear that her reference to benchmarks—and she dwelt on the subject at some length—is a very important one. In analysing this measure in committee and in passing it the reference was made that we would have to be extremely careful in examining how the commissioner would operate. By benchmarks I understand her to mean yardsticks, namely a way of measuring sustainability.

• (1635)

The question is: How will sustainability be measured and against what? Will it be measured against the sustainable objectives of the department, or will it be measured against the sustainable development principles that are to be established by way of a regulatory process emanating from the law itself?

I hope that the yardstick against which the commissioner will be auditing will be very firm, very significant; will be one on which the entire federal jurisdiction will be able to agree; and will provide the necessary motivation and goals to move toward sustainable development. I suppose this is what the minister had in mind when speaking about benchmarks this morning. The yardsticks will have to be established in a manner that transcend those of internal regulations.

When the House passed Bill C–46 and Bill C–48 some 18 months ago, I remember the term sustainable development was included in the two pieces of legislations creating the new Departments of Industry and Energy Mines and Resources. I have been asking myself ever since how those departments implement the mandate of the minister to achieve sustainable development against the adoption of which yardsticks and against the background of what principles.

To be brief, it seems in essence the bill is about yardsticks of auditing which the committee will have to examine and the principles against which the yardsticks will be established.

We have a number of sources for principles. The Ontario round table produced six guiding principles to meet sustainable development: first, anticipation and prevention; second, full cost accounting; third, informed decision making; fourth, living off the interest; fifth, quality over quantity; and, sixth, respect for nature and the rights of future generations. These are six good yardsticks and I submit them for consideration.

There is also the question of looking at principles which deal with equity; integrated approaches to planning and decision making; integration of the economy with the environment, which is certainly a basic principle; and ensuring that the development of renewable resources and their harvesting remain sustainable.

There are questions of virtually eliminating persistent and accumulative toxic substances, of adopting a pollution prevention approach, of protecting the ozone layer, of reducing greenhouse gasses and of conserving biodiversity.

We are to examine quite a large collection of principles. I invite all members interested in this method to think about the necessity of principles and yardsticks and to provide the committee with the benefit of their advice and experience.

• (1640)

The question of the definition of sustainable development might have to be examined in committee because the Brundtland definition is so global and so over–arching that it needs to be filled in somehow.

A suggestion I have received is that the definition should be to the effect that sustainable development concerns the integration

of environmental sustainability into the economic development and social development objectives of the federal government.

At the present time there is a cabinet directive whereby all ministers are to include environmental considerations in policy and program memoranda prepared for them for submission to cabinet. This is done, I understand very dutifully and precisely. Some departments do it better than others. It is against this practice, it seems to me, that we should examine the question and the importance of linking the environment with economic and social objectives and perhaps improving the quality of the comments included in memoranda by ministers to cabinet.

I suppose this will be one of the tasks the commissioner will have to face. The commissioner, also it seems to me, will have to be protected against the possible threat of decreasing resources made available to the auditor general. In other words, the role and the funding of the commissioner must be ensured so that they do not suffer in times of budget cuts. I am certain this matter will be taken into account fully.

The legislation envisages the requirement within two years of the establishment of the commissioner of plans on sustainable development that each department will be requested to submit to the commissioner. The commissioner would then review them, monitor them and report in the proposed manner. It would be desirable in this process if Environment Canada were to volunteer the best possible example and be among the first and well within the two-year limit in providing its plan so as to give the other departments the example that is required and perhaps the advice that some departments will require in this respect.

We will perhaps be wise to examine in committee the question of crown corporations that at the present time are not included in the bill and possibly the review or the monitoring and reporting on international agreements.

These matters touch upon the sustainability of our economy and of the global resources particularly when it comes to delicate issues like the integrity of the ozone layer and the trend in climate change which are now being widely observed by meteorologists and scientists.

One thing is clear. The bill certainly aims at integrating the environment into federal decision making. Once passed it will represent a good addition to the Canadian Environmental Assessment Act to which the minister referred earlier, to the task force on economic instruments and disincentives to sound environmental practices from which we hope to hear again, and to the more recently adopted document entitled "A Guide to Green Government".

• (1645)

We should be very clear what is meant by incorporating the environment and sustainable development into the Auditor General Act. If we mean balancing the economy with the environment, as some speakers have indicated in this debate, we would be missing the boat badly. The two cannot be balanced. It would be a serious mistake because first of all we implicitly declare that the environment is disconnected from the economy, that the two are not interrelated. In balancing the two—and the gesture itself is very revealing—we indicate also that in certain economic times the economy would receive all the attention and precedence and the environment would suffer and would be given different treatment at a lower level, a secondary level, one might say.

I submit it would be a very serious mistake and give the wrong interpretation of sustainable development. We would be proceeding in the same manner that we did in the seventies when our agenda was limited to the protection of the environment whenever possible.

We are now in a different phase, in the phase of a sustainable development. It means instead of integration, there should be a very strong correlation of the economy with the environment. They are one. They are interconnected. There cannot be a healthy economy in the long term unless there is a healthy environment as its foundation.

It is for that reason that the interpretation and the definition of sustainable development in this bill and in government operations are so important. It is also for this reason that the question of principle becomes so crucial in the operations of departments when they do embrace—a step which we all welcome, as in the Department of Industry and in the Department of Natural Resources—the concept of sustainable development. However that embrace, that commitment has to be taken a step further and has to be fleshed out with a number of basic principles.

I enumerated a few of these principles earlier, some taken from the Ontario round table and some taken from the Guide to Green Government—I applaud them all—which were signed by each cabinet minister including the Prime Minister. Those principles have now received an imprimatur, so to say, that is of great significance. It confirms the commitment of the government to sustainable development and to the principles fleshed out in the guide.

In the time that is left to me I would like to indicate that in addition to promoting sustainable development the bill will also open the road to petitions from the public. The member for Laurentides this morning asked a number of interesting questions on the effectiveness of this procedure. We will be glad to explore the questions that she raised because they seem to be very valid. These questions will be forwarded to the minister who will then be required to respond to them.

The commissioner will monitor and annually report to the House on the government's performance. In order to be effective in this auditing capacity the definition, as I said, of sustainable development incorporating very clear principles against which the auditing will become possible is immeasurable and becomes of the greatest importance. We had cabinet endorsement in June

of this year of the basic principle of pollution prevention. I applaud cabinet for having done that.

• (1650)

We have adopted on a number of occasions, at home and abroad, a precautionary principle; that is, that we move and make decisions even when science is not 100 per cent in agreement, but sufficiently in agreement to warrant a certain policy action.

I mentioned earlier full cost accounting and equity. In a country like Canada it is of the utmost importance we ensure that in the fisheries and in the forests we do not erode the capital but limit our harvesting to the interest produced by such resources.

We have the delicate question of carbon dioxide emissions, which is part of the red book commitment. It is very difficult to implement. We had extensive discussions on this particular issue last spring in Berlin at the United Nations conference on climate change.

We are a fossil fuel producing country and, therefore, we rely on it for a number of reasons. However, we must ensure in the long term that we gradually but systematically reduce our dependence on fossil fuels in the interest of the global community, to ensure that the climate trend is put back on the right track.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the hon. member for Davenport is a humble individual and a great parliamentarian. In his opening remarks he gave credit to the Minister of the Environment for bringing this bill forward. However, members of the House, in particular members of the environment committee and members of the environmental organizations in the country will know that the hon. member for Davenport, as the chair of the House of Commons Standing Committee on the Environment and Sustainable Development made the concept of environmental auditing the subject of the very first study of that committee in this Parliament. No sooner was the government elected than the hon. member for Davenport, as the chair of the committee, chose to make this the subject of study of that committee.

It was an exhaustive study. Many witnesses were called. Members of the committee sat and studied for hours, days and weeks to come up with a very superb report. That report had few flaws in it. It was a report which many throughout Canada accepted as the very least that we could accept. The committee report could have gone one step further than it did and proposed an ombudsperson role, an investigative role which went beyond that of simply auditing and promoting the environment and sustainable development.

When the report was released the foreword of the report was written by the hon. member for Davenport as the chair of the committee. The chair writes in the foreword of the report that as a result of its deliberation the committee has concluded that the most appropriate way to implement the government's proposed functions is through the creation of a commissioner of sustainable development in conjunction with an expanded role for the office of the auditor general. The committee believes the creation of a commissioner of the environment and sustainable development is a priority, one which appropriately answers the request of the government and which will provide the necessary momentum for the shift toward sustainability.

• (1655)

The member for Davenport and the committee concluded that what was necessary as a minimum to meet the needs of the government's commitment to the people of Canada and the long term needs of the environment was a commissioner of the environment along with an expanded office of the auditor general. What we get in response from the Minister of the Environment is simply an expansion of the office of the auditor general. The whole proactive role of a commissioner of sustainable development as promoted by the committee does not exist.

The member for Davenport as the chairperson of the committee spoke very well about what is yet needed in this bill. He outlined a number of things that were yet needed. I applaud him for that step. I asked him how he can rationalize his comments about the need for a proactive commissioner of the environment and his support for Bill C–83 which certainly does not do that.

Mr. Caccia: Mr. Speaker, as usual the member for The Battlefords—Meadow Lake has quickly identified the Achilles' heel.

I can only indicate to him, drawing from my own experience, that when one goes to cabinet with a proposal one does not always get everything one wants. That applies also to committees. We did our best. We produced a report that we knew at the time was aiming a bit higher than the commitment made in our red book.

As they say in political jargon: "You win some and you lose some". Because of this I started my remarks pointing at the fact that the Auditor General Act will now be changed in its title. It will also be changed to include a new mandate. While it is not all we would have liked, as the parliamentary secretary said earlier, it represents a solid step in the right direction. It is my hope that once the commissioner has proven his or her merits within the governmental organization and has proven through monitoring and reporting this is an extremely valuable role, the commissioner will be given the additional role of indicating, beyond reporting and monitoring, what the shortcomings are of a given policy, which is a very delicate step as we know.

In committee I remember very clearly the auditor general warning us about giving this additional responsibility to the commissioner. I suppose it is good to start with what we have now even if it does not meet all of our expectations. We can build on the foundation through experience in the years ahead.

The Deputy Speaker: The time has expired for questions and comments.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure today to speak on Bill C–83, an act to amend the Auditor General Act to create a commissioner of environment and sustainable development in the auditor general's office.

I completely agree with the intent and purpose of the bill to audit and to examine groups, individuals and ministries with respect to the environmental sector. However, I must ask the question why.

Why are we creating another aspect of bureaucracy to do that which the auditor general and the Minister of the Environment should by all rights do within the framework of their job descriptions.

• (1700)

Is it not the responsibility of the Ministry of the Environment to actually monitor these things? We are creating another level of bureaucracy at a cost of over $5 million to the Canadian taxpayer. Why are we doing this?

The bill is a metaphor for government. When we have a problem, and most hardworking members of Parliament will agree, we study it, we observe it, we report on it but do we act? Rarely. If we do, it is usually nibbling around the edges. We have what I call studyitis. Instead of acting on a problem, instead of addressing a problem, instead of getting the best solutions the country has to offer for a problem and implementing those, if only on a pilot project, we study it, we observe it and we report on it. That is what we are doing here.

The purpose of that is to give the illusion we are actually doing something. When we are engaging in these studies and reports we give the illusion we are actually addressing a problem. In reality we are putting off the actual decision making processes for another time. It has been one of the most frustrating aspects of being in the House. I know that frustration is shared by many of my colleagues. That to a large extent is what the bill represents. We are creating something new to do what should already be done by existing structures within the government.

Therefore we expose this aspect of bureaucratic expansionism at the expense of the taxpayers' pockets and should put the responsibility of these activities squarely back on the ministry's door and also back on the auditor general.

Apart from that I have some constructive suggestions the ministry can devote its time to. Instead of spending another $5 million of the taxpayer's money to do something that should already be done, let us look at some constructive ways the ministry can apply what it already has to some very pressing environmental problems that exist within our midst.

There are at least 48 identified high risk areas that are contaminated within the country. As of March 1995, 11 were deemed necessary for remediation. The moneys were put forth to remediate these areas. At the end of 1996 only 13 further sites will be marked for remediation.

That leaves a total of 24 sites of high risk to our country, particularly to the people who live around them, and to the environment. I cannot emphasize strongly enough these are high risk sites that demand attention for the people who live in the area and for the surrounding environment now—not next year, not five years from now but now. This would be a good thing for the ministry to look at.

Furthermore there is absolutely no plan whatsoever to deal with these 24 remaining sites. Where is the money coming from? When will they be dealt with? I challenge the ministry to look at this now.

To give members an example of how we are trying to offset the decision making process, in March 1989, $250 million was set aside to clean up contaminated sites. As of March 1995, how many were dealt with? Absolutely none. Furthermore there was no plan whatsoever to put this money to good use to clean up contaminated sites. It has only taken six years to get to the same state of affairs we were in six years ago.

No plans exist to identify contaminated sites in Canada. We cannot address pressing environmental issues, areas that are contaminated, unless we identify those sites first. We have not even done that. That is the first step in addressing severely contaminated sites.

For those sites that are identified, there is absolutely no idea how much it will cost to address the clean up of these sites.

The federal PCB destruction program ended in March 1995. There is no plan now to deal with sites contaminated with PCBs and there are sites right now that pose a significant risk to Canadians living in their vicinity.

• (1705)

Canada is a major producer of waste. We produce over 30 million tonnes of waste a year or more than a tonne per person. We recycle about 10 per cent of that. That is not bad but it is not nearly what we could be doing. It is interesting to look at some European countries that have done a remarkable job in expanding their recycling programs to become more inclusive and to involve a larger segment of their population so their waste levels at landfills and land sites are greatly reduced.

The ministry should also, instead of reinventing the wheel, look at countries that are doing a good job and see where we can be more aggressive with our recycling.

Current landfill sites are filling up and it is becoming increasingly difficult to find sites for our waste products. Landfill sites we have are leaking contaminants to surrounding areas, a significant hazard again to those people and to the flora and fauna in the vicinity.

It is interesting also to look at the costs. We want to spend $5 million for the auditor general to do a job that should already be done. The costs for a clean up in Canada are in the order of $4.5 billion per year, and it is expanding every year.

Given the current fiscal restraints of the government and successive governments in the future, we ought to pay careful heed as to how we will be dealing with the wastes we are producing now and will be in the future. It will be a common, current and pervasive problem for all of us in this country.

I speak from personal experience in my riding when I say the ministry has shown a deplorable inability to identify, prosecute and penalize individuals and industries that are right now contaminating our environment.

If we are to deal with this problem we have to start immediately to stop the wilful neglect to the environment and the wilful dumping of hazardous wastes occurring as we speak. It is very important the ministry do this. I do not know why it is not taking a more aggressive stance with industries and individuals who continue to do this. Time and time again local communities have complained at length to the ministry. It is not being able to investigate these individuals and it is not prosecuting them as they, day in and day out, dump waste into our waterways and on to our land.

The ministry also needs to be more aggressive in recovering costs where the polluter has been identified. It has not been nearly as forthcoming as it should be in trying to recoup this money. It could be very important not only to save money for the Canadian taxpayer but also give a very clear and distinct message to polluters that it is unacceptable for them to engage in this behaviour and if they do they will be penalized and forced to engage in the full cost recovery of cleaning up the sites they have polluted.

I suggest the ministry look at the environment and sustainable growth in a global context. It is essential to understand that the amount of destruction we see to our environment is intimately and directly associated with human activity both in numbers of people and in the behaviour of those people.

Right now there are over 5.5 billion people on this planet. By the year 2000 we will have 7 billion. By the year 2020 or 2030 we will have 10 billion to 11 billion people. The doubling time for our population has gone from thousands of years to the order of 25 to 30 years. It has dropped down a decade.

If we reflect on that for a minute we will see how important this issue is; our burgeoning population and the effect that will have on our dwindling resources. We simply cannot speak about sustainable development without addressing the problem of rampant population growth and human activity and the affect that has on our environment.

• (1710)

It is also interesting to see that the gap is actually widening between population and the ability to provide the basic necessities for that population. When populations are unable to provide for their basic necessities we have a population under stress. When we have a population under stress it leads to conflict, population migration and a destruction of the local environment where those conflicts take place. If we want to speak self–centredly, it impacts on our defence budgets, our foreign aid and development budgets and it potentially costs Canadian lives. It also impacts on the resources we use here for our social programs and services to provide for refugees who have come to our country from areas of conflict to seek refuge and succour.

I hope the ministry will look at this in the context of other ministries and also in international venues because nobody is speaking about this. If we start to speak about the subject we get accused of being neo–Malthusian. What a lot of rubbish that is. We have to be blind not to see that with a population expanding geometrically and the ability for our resources which are flattening out and in effect declining this gap which is widening will have a huge impact not only on countries half a world away but on our own. For the sake of us, our children and our grandchildren it is not only important but our responsibility to address these problems.

Our environment is our world. What we do to our world and to our environment we do to ourselves. I hope the ministry will take it upon itself that rather than repeating what should already be done, rather than creating new bureaucracies and creating more opportunities to study and report on a problem, to develop some good solutions to these problems.

Let us work with the people within our country and with our neighbours in other countries. Our environment is shared with all of our neighbours within our country and outside of our borders. What happens outside and within our borders is our business.

I believe we as a country can take a leadership role in addressing some of the large and pressing problems with our environment.

Mr. Pat O'Brien (London—Middlesex, Lib.): Madam Speaker, in the last federal election the Liberal government said environmental and economic agendas must converge. That means all federal departments must act on this understanding.

In our red book we stated:

> Sustainable development—integrating economic with environmental goals—fits in the Liberal tradition of social investment as sound economic policy. Preventive environmental care is the foundation of the Liberal approach to sustainable development.

To make this happen we promised Canadians one of the things we would do is appoint an environmental auditor general who would report directly to Parliament and have powers of investigation similar to those of the auditor general. I firmly believe Bill C–83 delivers on that commitment and more.

The House owes congratulations to the Deputy Prime Minister and the Minister of the Environment for the leadership she has shown on this very important matter.

[*Translation*]

The environment and sustainable development must automatically be part of all the decisions made by the federal government. They must not be the result of thinking after the fact or be taken into account after the real decisions have been made; on the contrary, they must be an integral part of all government decision making.

• (1715)

[*English*]

We need to do what we can to make sure that the environmental and sustainable development considerations are integral factors in the decision making of all federal government departments. That means decisions on new policies, programs, regulations and laws as well as the existing ones. It also means decisions on how departments manage their buildings, facilities and operations.

Canadians deserve to live in a country that is prosperous and healthy and they demand that their national government take a leadership role in making this happen. Bill C–83 is a response to that demand. It shows Canadians that the government is serious about getting its act together on environmental issues. It shows Canadians that we are willing to change the way government does business and that we are not afraid to be held publicly accountable for what we do and what we do not do.

By getting our house in order the federal government can promote the shift to sustainable development throughout Canadian society. This is what Bill C–83 is all about.

I have been delighted to serve on the Standing Committee on the Environment and Sustainable Development. One of the first big jobs we tackled was to try and find the best way for the government to meet its environmental auditor general commitment.

[*Translation*]

Last spring, the committee held wide–ranging hearings and submitted its report to the House in May.

[*English*]

I am very proud of our work and our report. We had real input into how the red book commitment would be delivered and we had real input in the bill currently before the House.

Under the skilled leadership of my colleague, the hon. member for Davenport, we wrote a report that called for enhanced environmental auditing of the government's policies, programs and laws. We wrote a report that says the government must be held accountable to Parliament and to the public for demonstrating progress in meeting objectives.

We wrote a report that advocates going beyond the concept of simply creating an environmental auditor general and instead establishing an independent and influential commissioner of the environment and sustainable development.

It became clear to committee members very early on in our work that much of what would be the audit responsibilities of the commissioner are in fact already carried out by the auditor general. We also recommended in our report that the auditor general continue to evolve this work and that the Auditor General Act be amended to meet new requirements in performing such a role.

Bill C–83 does this. It establishes a commissioner of the environment and sustainable development and it does it right in the Office of the Auditor General. This is not, I repeat, not a retreat from our red book pledge. Instead, it is a better more effective way to carry out our pledge to Canadians.

The Office of the Auditor General has clout. It is independent from government. It is well respected. It has solid expertise that can be put to use at once. For all these reasons the Office of the Auditor General can greatly enhance the auditing of the government's environmental performance as well as the effectiveness of the commissioner.

Bill C–83 also augments the role of the auditor general. It gives him or her the clear legal mandate to include environmental effects along with the conventional considerations for the economy and efficiency when reporting to the House of Com-

mons. This ensures that issues of environment and sustainable development are integrated directly into government thinking and planning. This kind of integration is what sustainable development is all about.

• (1720)

However this is far from being the government's first initiative to foster sustainable development. Let me name just a few: the proclamation of the Canadian Environmental Assessment Act; actions to green government operations; the task force on economic instruments and disincentives to sound environmental practices; and the initial follow–up to the task force in the last federal budget.

Bill C–83 is just the most recent course of action to make the shift to sustainable development. This bill will promote sustainable development across all federal departments by requiring ministers to table in the House sustainable development strategies. The strategies must include their departments' objectives and plans of action to further sustainable development. All departments will be required to update their strategies every three years with ministers tabling the updates in the House.

The commissioner will be keeping a close eye on this. He or she will be completely independent and will report directly to the auditor general on all of his or her environmental and sustainable development related duties. The commissioner will also assist the auditor general in addressing the environmental and sustainable development aspects of his general auditing work.

One of the commissioner's most important duties will be to monitor and report annually to the House on the government's progress toward sustainable development. That means reviewing each department's sustainable development strategy. That means monitoring their action plans and reporting on their success. It also means reporting on anything related to environmental aspects of sustainable development that merits attention.

The amendments are indeed historic and unprecedented and have far reaching implications for the way the federal government does its business. They ensure that no matter who the auditor general happens to be, environment and sustainable development will have a high profile in the work of that office. They force this government and all governments that follow to promote sustainable development practices within all federal departments and across all major economic sectors of our country. They will hold the government fully and completely accountable to the public for its performance in making the shift to sustainable development.

Today I am proud to be a parliamentarian and I am proud to be a member of this government. We have taken a red book commitment and engaged Canadians in fulfilling it and indeed in going beyond it. We have taken a major step forward.

No, as has been pointed out by other colleagues in the House, the committee did not achieve everything it hoped to achieve. That has been very candidly stated earlier by my colleague, the parliamentary secretary, and most recently by my colleague, the chair of the committee. However we have made a major step forward. We have taken a radical departure in the way government does business. We have taken a leadership role.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I would like the member who just spoke to clarify two things.

The first has to do with accountability. As you know, Madam Speaker, from reading the bill the legislation calls for petitions from the general public, in other words those matters in which the public wants to hold the government accountable. Petitions from the general public that go to the new commissioner are simply handed over by the commissioner to the relevant government department for a response. That response is what holds the government accountable to the citizens of Canada; no investigation, no specific examination of the complaint, simply turning over the complaint to the department.

• (1725)

In other words, on a matter which happened recently a citizen was concerned about the PCBs on the *Irving Whale*. Instead of that matter going to court and the court telling the government it fell short on this issue, the department simply said it was no problem, the environmental impact assessment was sufficient and the *Whale* would be raised. The courts came back and said that those nice words were not good enough, that the PCBs were not a part of the environmental assessment study and until they were the *Whale* could not be raised.

Nice words of the department do not demonstrate accountability to the public. I would like the member to further clarify his statement in light of that comment.

The other statement has to do with the clout of the auditor general. The member indicates that he supports the legislation because the auditor general has clout. I think I quote him correctly.

In appearing before the committee, the auditor general acknowledged that the clout he has is embarrassment. The clout he has is by reporting. The public reads the report and the government is embarrassed. The government is embarrassed enough already on environmental issues. How is it that the clout an environmental commissioner would have would be any different from the embarrassment the government feels today?

Mr. O'Brien: Madam Speaker, I appreciate the very good questions from my colleague opposite.

First of all it is very interesting to me that the hon. member raises the issue of PCBs. PCBs have been a major concern in my own municipality for some 10 years now, particularly in my own riding of London—Middlesex. Let me say that when as the new member of Parliament for the riding of London—Middlesex I brought this concern to the attention of the Minister of the Environment and the Deputy Prime Minister she was very quick to respond in putting an end to a long process initiated by the previous Tory government to try to find a site for the destruction of these PCBs.

This thing had dragged on for years. There was never a conclusion to it. They were spending lots of taxpayers' money. They had not come up with a proposed site and were planning really to force a decision on one of two or three communities unhappily in the riding of London—Middlesex. None of those communities was very excited about it.

When I brought that to the attention of the minister, she took very quick action. She indicated there would be no need for such a facility in the city of London, that we had better options to enable us to eliminate PCBs without creating additional expensive facilities. I was very impressed with the response on that.

On the member's comment about petitions from the public about pollution problems be they PCBs or whatever, what the member may have overlooked in my comments is the fact that ministers will have to table in the House plans for how they will deal with environmental issues within their ministry. There will be regular ongoing reviews of these plans. As the member who is more senior in this House than I well knows, that will give members in this Chamber many opportunities to take a shot at any issue they want to address themselves to in speaking for their constituents.

In his first question the member referred to the courts. Fortunately in a democratic system like we have in this country I would submit that the courts will always be the last recourse in many cases. If the courts see fit to overrule government on environmental issues, then so be it. That is an important right we want to cherish.

On the member's second question, he quoted me correctly about saying that the auditor general has clout. I can tell my colleague that the first standing committee I was honoured to serve on in the House was the public accounts committee. The current auditor general, Mr. Desautels, in my view has tremendous clout. When he comes to that committee on any subject—and he is the star witness as we all know—he is listened to very attentively by all members of the House sitting on the committee.

• (1730)

I agree with Mr. Desautels that embarrassment is a major weapon in his arsenal. He told us time and again—and I personally questioned him on it—that it was not his job to indicate new policy directions for any government but it was his job to indicate where governments fell short and where they might have been able to do better.

If governments and ministers do not live up to the plans they have tabled and when reviews of the plans indicate shortcomings, I would hope the auditor general would be at the appropriate committee to embarrass the government of the day. I would welcome it, as would all Canadians.

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Madam Speaker, Canada has recently been declared the second wealthiest nation on earth. This is in large part due to our natural heritage.

Canadians from coast to coast are privileged people who live in a great nation. We are a country of richly diverse temperate rain forests, prairie grasslands that expand wide on open horizons, great inland waterways, beaches full of the scent of ocean life, and fragile Arctic flowers that hang tenuously on to life season after season.

Fresh potable water, clean air and arable soil are resources that cannot be fully valued. Once they are gone they cannot be replaced. More and more world conflict will arise from fighting over scarce natural resources. Human health is clearly linked to a healthy natural environment.

In the spring of 1994 I had the honour of accompanying the Minister of the Environment to attend a G–7 ministers of the environment conference in Florence, Italy. At that conference they made it very clear to the Canadian delegation that the world was anxiously watching Canada. Canada, they told us, was one of the last countries of the world to contain large tracts of pristine wilderness.

The delegates very eloquently told us how they learned too late about their mistakes. Vast tracts of forested land had been denuded, arable soil had been turned into desert, fresh waterways polluted and air made unbreathable.

Paul Hawken, in his book "The Ecology of Commerce", paints a very bleak future for this planet. We currently use 40 per cent of the earth's biotic capacity to produce. In 40 years the earth's population will double. If we continue to use the earth's resources at the same rate with no change, in 40 years when the earth's population doubles we will use 80 per cent of the earth's biotic capacity to produce.

Major ecosystem failure occurs at 60 per cent to 70 per cent. We have already experienced a major ecosystem failure on the east coast in the fisheries. The long debate over the ecological implications of our behaviour is over. We can see before our eyes what is happening. We feel the effects on our health. Our communities and industries know firsthand about the devastation of an ecological crisis.

Canadians, from what polls indicate, are very concerned about their economic well–being and the economic health of the country, but underlying all these concerns the environment is still an issue they have a strong attachment to.

In my one and a half years as vice–chair of the environment committee I have heard Canadians from all parts of the country, from all walks of life, both industry and environmental groups, First Nations people, scientists and lay persons, speak about their concerns regarding environmental degradation. I have heard senior representatives of large corporations talk with pride in their voices about environmental initiatives they are pursuing. We have heard from community groups, from band councils and from government agencies all outlining what they are trying to do to help Canadian society make the shift to sustainability.

• (1735)

However it is not enough. Not everyone in industry, in the private sector and in the public sector is doing all he or she can. Government must show leadership, first by taking the initiative to model environmentally sensitive behaviour and, second, by developing best practices that can be used by others in the shift toward sustainability.

The commissioner of the environment and sustainable development as outlined by Bill C–83 will go a long way in demonstrating leadership. First, it very clearly demonstrates to Canadians that the government is committed to sustainable approaches. Second, it will provide very good working examples of how we can make the move from theory to practice, from problem analysis to problem solving.

One key issue addressed at the G–7 ministers of the environment conference in Florence focused on the practice of sustainability. How is the shift made in practical terms and how do we undertake green or environmental accounting? Through building on the efforts already initiated by the auditor general in the field of green auditing, the government can help to build capacity in Canadian society.

Third, the government can show leadership in the shift toward sustainability by helping to co–ordinate and connect all efforts currently under way. Many undertakings are happening in various government departments that need to be documented and co–ordinated.

Originally the committee had recommended a stand alone office of the commissioner of the environment to assess government policy proactively before it is implemented. I would certainly prefer the forward looking approach of this model as opposed to the rearview approach of the office of the auditor general. However this must be balanced by the added clout of the office of the auditor general that Bill C–83 provides and the ability of the new commissioner to integrate fully ecological considerations with all government auditing functions.

The government has fulfilled its red book commitment even though what is reflected in Bill C–83 is not exactly what the committee recommended because the committee recommendations differed from the red book.

I campaigned on the issue of a commissioner of the environment and sustainable development in the office of the auditor general. I was very excited about the progressive nature of this campaign promise. I am very pleased that Canada will join New Zealand as the second country in the world to have a commissioner of sustainable development.

In addition to amending the Auditor General Act to require the appointment of a commissioner of the environment and sustainable development, Bill C–83 sets out other things to support the shift toward sustainability. These include ensuring that environmental considerations in the context of sustainable development are taken into account in the auditor general's reports to the House of Commons, imposing requirements for responding to petitions received by the auditor general about federal environmental matters, and requiring that departments prepare and table sustainable development strategies in the House of Commons. All these will increase public accountability as the government exhibits leadership in the shift to sustainability.

We have the resources in the country, the human talent and expertise and the rich, diverse natural heritage of our land to meet the challenges that face us as a nation; but as people must be nurtured, supported and protected. So must the land, the air, the water and all that they contain.

I ask members of the House: Who ultimately owns these things? How can a document give full and absolute ownership to a forest or to a tract of land? Perhaps we should consider how the aboriginal peoples of the country view their relationship to the land. They do not individually own it. Rather they must care for the land. Anything that is done to the natural environment must be thought of in the way it will affect the seventh generation.

As individuals our time on earth is fleeting. We are like a mere speck on the beach of time. Yet, in a fluttering second we can destroy that beach and all the life that depends on it for survival.

• (1740)

It is time to challenge our unsustainable behaviours. It is time for the government to show leadership in the shift to a sustainable future in both the spirit and letter of the law.

Mr. Pat O'Brien (London—Middlesex, Lib.): Madam Speaker, my colleague on the Standing Committee on Environment and Sustainable Development spoke to the fact that the committee preferred a stand alone office of a commissioner of the environment. She mentioned that however unfortunately it was not done and that the red book commitment had been kept.

Could she elaborate on the keeping of that commitment and perhaps speculate at least and explain to the House why the committee's first option was not in fact brought to fruition?

Mrs. Kraft Sloan: Madam Speaker, as always people have different visions of where they might like to go. Certainly the Standing Committee on Environment and Sustainable Development had decided on a particular vision after interviewing a number of witnesses and through discussions with committee members. We thought perhaps a stand alone commissioner might be the way to go in this regard.

The red book commitment talked about a commissioner of sustainable development within the auditor general's office. The government in its wisdom decided to go with that particular position.

Part of the discussion we had as members of that committee looking at the particular issue was the tradeoff of a stand alone office or the clout within the auditor general's office. Given the kinds of financial constraints the government is operating under, I think we can utilize the expertise that has already been developed in the auditor general's office and move in that direction.

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Madam Speaker, I have a question for my colleague from York—Simcoe.

Could she perhaps elaborate on the aboriginal concept of the seven generations? What exactly does it mean?

Mrs. Kraft Sloan: Madam Speaker, my understanding—and I guess it is the best way to state it—is that whenever anything is done to the natural environment, when we decide to intervene in the course of a waterway, when we decide to make changes on the land or if we decide to cut a forest, we have to think of the implications of the action on the seventh generation down the road.

It is not just how it is going to affect us next month or in the next year. We have to think of the seven lifetimes of people who will follow us. When we are dealing with environmental issues they are very complex and often we do not properly extend the time horizon.

One of the reasons I am so supportive of the concept of sustainability is that it takes into consideration ecological aspects, economic aspects and social aspects. Something I firmly believe in is intergenerational equity. Our children inherit what we leave for them, their children and so on to the seventh generation.

Mr. John Finlay (Oxford, Lib.): Madam Speaker, it gives me a great deal of pleasure to join the debate since I was a member of the Standing Committee on Environment and Sustainable Development and one of our first orders of business about a year ago was to examine the question of a commissioner for sustainable development.

• (1745)

As earlier speakers have said, we listened to a great number of witnesses. I think we were pleased with our report. Now it is time to say that we are pleased with what the Minister of the Environment has presented and with the steps the government is going to take.

An act to amend the Auditor General Act in order to establish a commissioner of sustainable development will put the government firmly on the path to meeting one of our red book commitments—

An hon. member: It would be the first.

Mr. Finlay: The first of many. I want to deal with this act in three main areas. The first has to do with the definition that appears in the act. This was only one of the definitions that were presented to the committee. We had a lot of discussion about this. I believe we have chosen wisely and I am glad that the definition that arises out of the Brundtland report is the one that is in this act.

Sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs. As my honoured colleague, the member for Davenport, has already pointed out, this definition is crucial. This definition goes beyond balancing the economy and the environment. Up to a few years ago, when I asked this kind of question from an environmental point of view to members of the previous government I was told with a wry grin that there are jobs and then there is the environment. Our future is here, and it includes both jobs and the environment, both industry and the environment, all industries and the environment. That is a basic understanding I hope all in the House will acknowledge.

Many people have seen industry and environment as antithetical and opposite. This definition goes well beyond that. Again, it is another case where many of our educational institutions, many of our businesses and industries, and many of our organizations in this country are somewhat ahead of the government. They are now teaching courses in waste management, in integrated resource management. Our ministries of the environment and industry have also stimulated the Canadian environmental industry, which is one of the fastest growing areas of our economy.

Let us return for a moment to this definition. It says "development that meets the needs of the present". This does not say the wants of the present; it says the needs. That means we have to give it considerable thought. We have to reach some agreements and we have to do considerable research. The basic fact we have to understand is that we live on a finite planet. Our resources, our land, our air, our water, and our energy are all limited. Right now we have all the air, polluted or not, that we are going to

have. We have all the water, pure or not, fresh or not, we are going to have. And we have all the land, eroded or not, we are going to have.

Considering that the extent of arable land on the planet is very tiny compared to the expanse of the oceans, the mountains, the deserts, and other parts of this fair earth that we cannot use, this is a basic tenet of all of our actions and it must become ingrained in the decisions we make in the House.

• (1750)

It states "without compromising the ability of future generations". Politicians are good compromisers. We have to be sometimes. However, compromise is not possible when we are dealing with some of the present problems of the environment. In order to achieve sustainable development we cannot compromise on the pressing need to improve our performance in protecting the environment, in establishing sustainable industrial processes, and in managing our waste. The "ability of future generations" requires us to look a little into the future. We need to recognize that some of the problems that appear before us now are not the only problems that future generations may face.

We know, as the hon. member for Esquimalt—Juan de Fuca pointed out, that the population of the earth is doubling now in decades, not centuries and not millennia. That is something we have to keep in mind, because future generations are going to have a much bigger problem than we have if we do not move toward helping to solve it. Our needs for energy will expand tremendously. Progressive climate change cannot be allowed to continue on and on, because the eventual result will be catastrophic.

The global transport of toxics through air and water, which already affects much of our Arctic area and the Inuit and others who live there, is going to continue unless we start to reduce it.

The time for compromise is gone. I think we have to get on with the job. Hopefully this bill will set us on the road to doing that as expeditiously as possible.

The last part of the definition states: "We must not compromise the ability of future generations to meet their own needs". Since it is impossible for us definitively to know what those needs will be, it would be best if we erred on the side of caution and care, increased our respect for the environment and increased our efforts to become a conserving rather than a wasting and wasteful society.

Again, as my colleague for Esquimalt—Juan de Fuca said, we create a lot of garbage. We are the best in the world at creating garbage. We are number one in garbage creation and waste. We would dearly like to become number one in the management of that and in getting rid of it.

I would like to spend a moment on a fact that has been brought up by several other members. We talked about a commissioner of sustainable development. On the committee we wanted a separate office. We wanted a real proactive position. We find that we have in this act a commissioner, yes, within the auditor general's department.

I think perhaps this is a place where our compromise was needed. Perhaps what we have in this act will in a number of ways accentuate the role of that commissioner. One of the things we heard in the committee from witness after witness was that the federal departments of this government were not particularly up to date or forward looking or in advance of those things that needed to be done to preserve the environment. In fact many industries and organizations told us that some of our departments did not obey the rules to nearly the same extent as the mining companies, the industries, and so on. We were shown quite clearly in the committee from the witnesses we saw and the trips we made, which were not many but were very effective, that this was so.

• (1755)

Hence, the bill puts the commissioner in there to see that government puts its own house in order by greening policies and operations across all departments. We talked about co–operation, and that is needed.

The commissioner will hold the government publicly accountable for its own environmental performance. The commissioner will promote sustainable development as an essential factor in making decisions at all levels of society and within all departments of government.

Our departments must lead. After all, the Government of Canada spends more of the people's money than anyone else. It owns more of the land or is at least responsible for more of it. It employs more people. Hence it has to be in the forefront if we are going to meet the definition of sustainable development in this act.

The commissioner will have to monitor and report annually to Parliament. He or she must know what the departments are planning. He must assist them in their planning and he must respond to the public and petitions from the public on environmental matters.

Although under the old CEPA, Canadian Environmental Protection Act, there were only one or two requests from the public for some study or action to do with the environment, we would hope that the commissioner's office will focus the public's attention and provide a place where their concerns can be swiftly dealt with.

A number of members have questioned making the commissioner part of the auditor general's office. My colleague from Simcoe Centre has pointed out that the committee's report asked for a separate office. However, I think the reasons provided by the Minister of the Environment are worth repeating. The auditor general already audits the environmental performance of federal departments, albeit after the fact. That is a function he fulfills.

The commissioner will strengthen the auditor general's environmental effectiveness and make sure that the environment has a higher profile in his audits. The commission will have some added credibility as part of an expert, respected and independent office that now operates at arm's length from the government. That was an important part of the commissioner's mandate.

Given the government's commitment to fiscal restraint and affordable services, it seems preferable to strengthen an existing organization rather than create a new separate office.

Finally, the commissioner will be funded from existing resources.

It has been a pleasure to speak with respect to the environment. I am committed to sustainable development and to the environment. I look forward to the first report from our commissioner, whoever that might be.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Madam Speaker, we are talking about sustainable development, a very important issue. We must not pollute the waters where we swim nor the water we drink. Otherwise, we risk poisoning ourselves. We must not pollute the air we breathe if we want to avoid intoxication.

We should take measures to ensure that not only future generations, but our own will have the opportunity to really appreciate and fully enjoy nature, the world around us.

• (1800)

When we speak about an auditor for the environment, I think the idea is very interesting, but I cannot help having some reservations. I would like to share these with you. I am sure my colleague will then reply and allay my concerns.

You know, Madam Speaker, that we already have an auditor general who, year after year, each and every year, presents a very extensive report on the administrative failings of the federal government. God knows this report is not a small document. The auditor publishes an imposing series of volumes every year.

If we felt, when the report is tabled, that results were not only expected, but were in fact there, that they had been delivered, I would say to myself: auditing works, we have set up mechanisms whereby the government is responsible to the public, and the government changes course as required.

But this is really not the case. I am thinking of the Commissioner of Official Languages. As the Vice–Chairman of the Joint Standing Committee on Official Languages, I repeatedly have occasion to regret the fact that, despite his good efforts, the Commissioner of Official Languages still failed to achieve the results he was hoping for and even that, recently, in February, his budget was cut. He is not alone. Many government agencies and departments are in the same situation, but that does not help him do his work.

So, of course, my honourable colleague says that the environmental auditor will be able to call attention to failures, but that is not enough. Knowing that things are going badly is a step in the right direction, but being unable to do anything or being unwilling to do something is a more serious matter.

Will we once again, and this is the heart of my question, be faced with a situation where, well aware of the corrective action to be taken, we must once more regret the fact that such action was not taken? Perhaps my honourable colleague can answer my concern?

[*English*]

Mr. Finlay: Madam Speaker, I say to my hon. friend that we must walk before we run. Rome was not built in a day. Everybody's budget has been decreased except two.

In last year's budget the only department that was not hit very hard was the environment ministry. For a very good reason this year it was the department of aboriginal affairs and northern development. More aboriginal people need more help.

I share my colleague's concern that we are not doing everything that needs to be done, or that can be done. That is exactly why we need the commissioner. The auditor general's function is to audit what has been done. The commissioner's function is to do something before it is done to see that the plans are going to work.

I have no magic wand. We cannot make everything work at once but we can at least try to get on with it if we all understand what the problem is and what the goal is.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, I listened with interest to the member's speech. I wonder if he could clarify a couple of areas for me.

He made the statement that Canada was the largest creator of garbage in the world. Maybe he could tell us where he got that information and how he developed the thesis that Canada of all places is the largest developer of garbage in the world. I am sure it is something that all Canadians would like to know more about. Could he tell us the scientific facts and how he arrived at that conclusion.

• (1805)

The second comment I was concerned about was in regard to global warming. I remember growing up in the seventies when environmentalists said that in five years if we were not careful the rivers would boil. I would like the member to share with us where he received this information. In his statement who is speaking for science in his comments?

I feel he has left out an important aspect. If he wants to make a statement about something, he should back it up with some facts.

Mr. Finlay: Madam Speaker, I want to correct one thing I said.

Canada is the greatest per capita user of energy in the modern world. My hon. friend has corrected me. We are second in the per capita production of waste. The U.S. is first in the production of waste, second in the per capita use of energy. These are not figures I made up in my head. They are well recognized all over the globe. They come out of the Brundtland commission study. There is not any great secret about it. It is one of those things we have to keep in mind when we look at other countries and worry about population.

We sometimes say we have our population under control. We are pretty well at a zero base population except we receive a lot of immigrants which is fine. However India and China are not zero base populations.

The fact is that one Canadian uses something between 20 to 100 times as much of this earth's resources as one Indian or one Central American or one African. It depends on which country we are talking about, how developed and how undeveloped.

Concerning global warming, someone said the rivers were going to boil in five years. That is science fiction. The fact that the breast milk of Inuit mothers has 20 times—far more—dioxins in it than the breast milk of mothers in Montreal is not science fiction. It is fact.

Just as we have deplored for some years the attitude of American presidents that acid rain was some figment of the scientist's imagination or that the accumulation of toxins in the St. Lawrence River was some figment of a naturalist's imagination, we find of course that it is not, that the beluga whales are diseased, that acid rain kills the lakes in northern Ontario and northern Quebec, Lapland and so on. We are not dealing with science fiction. We are dealing with facts.

Mr. Geoff Regan (Halifax West, Lib.): Madam Speaker, I am very pleased to speak to the amendments to the Auditor General Act. This is a very important bill and one of the best things we have done as a government so far.

It will create profound changes in the way government operates in this country. It will integrate the environmental agenda with the economic agenda. As well, one of the two or three most important challenges that we as a society and as a world face in the next 50 years is the environment.

We have been reminded in the last couple of weeks with different stories in the media of how much of a challenge this is. In fact it astonishes me to hear Reform Party members who seem to dismiss the idea of the environment as a major concern.

We have seen reports on global warming. A report last Monday, September 11 in the *Globe and Mail* indicated that global experts, the international intergovernmental panel which has been studying for years the issue of global warming, after years of saying they were not sure of this and years of denying it was a real problem, have finally come to the point where they are saying, yes, we accept that the level of global warming we are seeing has to be caused in part at least by human actions. It is human activity which is contributing to global warming. We cannot ignore it.

• (1810)

Even if we were not absolutely sure that our actions were contributing to global warming, to pollution and problems world wide, even if there was a 50 per cent chance there are some things we can do to stop it, are we not wise to be on the right side? I think we are.

We have also heard stories about the ozone layer. I heard about a week ago that the hole in the ozone layer over the Antarctic this summer is twice as large as the year before. The things that are happening to our world can have a major impact on us.

The idea of global warming to people in Canada sounds great because we live through some pretty cold winters, especially here in Ottawa. I can tell the House it is always milder and more pleasant in Nova Scotia. Winters throughout the country are very cold. Therefore, global warming sounds nice.

In today's Halifax *Daily News*, a Canadian Press story reported some things that have happened this year as a result of the very hot summer. In 1989 I heard that four out of five of the hottest summers on record occurred in the 1980s. I am sure that has changed because in some respects this summer was one of the worst on record in terms of heat.

There was record destruction by forest fires across North America. There were terrible floods in southern Alberta. Toronto recorded the most humid summer in 30 years. In rural Ontario there was one report of 500,000 chickens dying in one weekend due to heat. We saw hurricanes. We have seen hurricanes before. They are not unusual. In the southern U.S. and on the east coast we saw terrible damage from hurricanes. All of these things added together have to mean that something is happening.

The summer of 1995 was the third hottest on record and maybe the muggiest. In Chicago more than 500 people died in a heat wave. In England it was the driest summer in 200 years. Those who say that we should not worry, that it is not getting hotter or that these are not really problems, should reconsider because these things have a great impact.

I mentioned the ozone layer. We have all become more aware over the last year since weather reports include UV readings of how much of a concern this must be. We know the impact of UV in terms of skin cancer. We should also be aware that if the ozone layer is depleted further and UV rays get through the atmosphere it can have a devastating effect. It is a gradual effect but more and more ozone depletion each year gradually stunts crop growth. If the ozone layer becomes thinner crops cannot grow. That is absolutely scary to the world. It seems to me that the environment must be a priority for the country and across the planet.

It makes sense that we are making it a priority to amend the Auditor General Act. In the red book the Liberals say:

> Sustainable development, integrating economic with environmental goals, fits the Liberal tradition of social investment as sound economic policy. Preventive environmental care is the foundation of the Liberal approach to sustainable development;

The government is serious about promoting sustainable development. It is serious about being held accountable for its environmental actions and environmental planning. It really must be. Canadians want and deserve a prosperous, healthy country in which we and our children can work to achieve our aspirations.

• (1815)

[*Translation*]

This is also reflected in departmental decisions concerning the management of buildings, facilities and operations. The proposed amendments to the Auditor General Act before the House will permit, to a large extent, to achieve the kind of integration we are seeking. They are a key element of the government's response last fall to the first report of the Standing Committee on the Environment and Sustainable Development entitled "The Commissioner of the Environment and Sustainable Development".

The committee was of the opinion that, even though it is critical to examine measures taken by the government, it is even more important to make sure that environmental considerations are a basic planning element in every department. The committee asked that the environmental audit of government policies, programs and legislation be stepped up.

The committee believed that the government must report to Parliament and to the public the progress made to meet these objectives.

[*English*]

The committee advocated the government go beyond the idea of just an environmental auditor and instead establish a commissioner of the environment and sustainable development. In these proposed amendments to the Auditor General Act the government will establish a commissioner. We will meet all of the objectives of the committee's report.

The amendments do contain at least one significant departure from the committee's report, which is to create the commissioner of the environment and sustainable development not as a separate position but within the existing framework of the auditor general's office. This is not in any way a retreat from our red book pledge. Instead it is a smarter, more effective way of carrying out the pledge.

The Office of the Auditor General has clout. It is independent of the government. It is well respected and it has expertise. For all these reasons it can greatly enhance the auditing of the government's environmental performance.

There is another advantage to this innovation. Within the work of the auditor general issues of environmental and sustainable development will be integrated directly with economic considerations. This kind of integration is what sustainable development is all about.

What then is the substance of these amendments to the Auditor General Act? These modifications establish the function of the commissioner for the environment and sustainable development inside the Office of the Auditor General.

We all know that every year when the report of the auditor general comes out there is a blaze of publicity. Everyone is aware of that. We can now expect an equal impact for reports of environmental failures or shortcomings of government. The fair publicity we know ministers will feel is going to be a powerful spur to action because it applies to every minister in every department. At times this may make things uncomfortable for those of us in government, especially the ministers. However, the government is prepared to accept that discomfort if the end result is better government for Canadians and a better environment for all of us.

The scope of these changes is more far reaching than a simple institutionalization of the control and reporting procedures on the conduct of the government relating to ecology and sustainable development.

[*Translation*]

More plainly put, these amendments challenge federal departments to take environmental action. In this sense, they go further than the red book commitment in vigorously promoting sustainable development.

Under the amended act, each department will have two years to develop its own sustainable development strategy which will

be tabled in the House of Commons by the minister in charge. The strategy must be geared to results and must set out the department's objectives and the action plan to meet them.

[*English*]

In effect, every minister will thus become a sustainable development minister. For example, the industry minister will be responsible for that portfolio and also for ensuring the Department of Industry operates in an environmentally sound way. The same is true of the foreign affairs minister, the transport minister and every other minister in cabinet.

• (1820)

This is a big step forward in moving sustainable development from concept to reality. The departmental strategies will assist the auditor general and the commissioner in not only monitoring the government and preparing their reports to Parliament but will also serve as benchmarks by which the commissioner and auditor general can assess each department's performance in making the shift to sustainable development.

This is not a one-shot affair to be undertaken with fanfare and then quickly forgotten. Every three years each department must update its sustainable development strategy and its minister must table that update in Parliament.

Thanks to these changes, Canadians can get a better idea of how government is responding to the environmental challenge we face.

The auditor general will be empowered to receive petitions from the public on environmental questions and then will pass those petitions to the minister responsible for the particular area, who must respond within a certain time.

I can see how that could have an impact in my riding. In my riding of Halifax West in the community of Five Island Lake there is a former salvage operation site where there is a big problem with PCBs and other heavy metals and toxins. The clean up of that is a big problem. Right now it is considered an orphan site because the small business which operated it for so long really does not have the wherewithal to enable us to go after it for the costs. It needs some kind of funding. I do not want to keep pursuing the federal government. This kind of thing would help to create pressure to see that it is made a priority.

That will be the overall impact of the bill. It will help to ensure that environmental issues become a higher priority hopefully across the country, hopefully across our society but certainly within government.

[*Translation*]

The number and the focus of the petitions received by the ministers and the status of these matters will be monitored, and the commissioner will report to the House of Commons on the results obtained.

[*English*]

The amendments also require the commissioner to report annually to the House of Commons on behalf of the auditor general. These reports can focus on anything related to sustainable development, whatever the commissioner considers important enough to bring to the attention of the House. In particular, the commissioner's annual reports will indicate how far departments have gone in meeting the objectives and expectations they have set for themselves in their strategies.

The annual report of the commissioner will not be the only report to the House of Commons on the government's environmental performance. These amendments will ensure that environmental observations will continue to be included in the auditor general's reports as well. That is important because the auditor general's reports are more general in scope. They will include the considerations of economy, efficiency, effectiveness and the environment as well. Indeed, one of the commissioner's duties will be to assist the auditor general in preparing aspects of these reports referring to the environment and sustainable development.

[*Translation*]

The auditor general alone will be responsible for appointing the commissioner of the environment and sustainable development. I am sure the auditor general will choose someone with excellent professional qualifications and strong personal commitment. This will guarantee that the commissioner will be sufficiently at arms' length.

A decision on the funding for this position will be made once these amendments have been adopted. But let me assure you that there will be sufficient funding to guarantee these amendments will be implemented effectively.

[*English*]

The government is wasting no time in moving to meet its obligations under the proposed amendments. The government is committed to ensuring the promotion of thinking green as a central component of decision making at all levels of government and I hope eventually at all levels of our society.

The Prime Minister and all ministers have signed a guidebook entitled "A Guide to Green Government". It will help all federal departments make sustainable development their business. That is good news. It will also serve as a curriculum for the commissioner when she or he reports on the success departments are having in integrating sustainable development practices into their own activities.

Sustainable development is a shared responsibility requiring the co–operation and involvement of Canadians from all walks of life. In preparing sustainable development strategies departments must involve stakeholders. That is one of the requirements of this bill. Thinking green is a central component of decision making at all levels because of the bill.

• (1825)

Departments will be required to report annually on their progress and they must provide information on the number, type and status of environmental assessments they are conducting.

Another example of the government's commitment was the proclamation of the Canadian Environmental Assessment Act last January. This legislation will ensure the environment is formally integrated into the project planning process of the federal government.

Through the Canadian Environmental Assessment Agency the government is already working hard to make sure environmental assessments of new government policies and programs are done and done well. These are important measures that establish a framework for sustainability at the federal government level.

[*Translation*]

For years, governments have talked of sustainability and declared their support in this regard. It has always been difficult, however, to ensure these commitments are met.

This is why environmental groups have long demanded an independent control and reporting function focussing on environmental actions. They saw this as a way to force the government to keep its promise. And just as obstinately, our predecessors in government have resisted having to keep their word.

[*English*]

The Liberal government has a different approach. We are not afraid of openness, because that is what Canadians want. It might worry us to be criticized when there are shortcomings on the environment but it can only do us good in the long run. Therefore we are making sustainable development the priority it ought to be.

This is another important step along the path to sustainable development and a healthy future for all Canadians. I recommend quick passage of this bill.

Mr. Ted White (North Vancouver, Ref.): Madam Speaker, I listened with interest to the speech of the hon. member. He did make one error. He said the Reform Party does not care about the environment, which is not true at all. We have a comprehensive blue book policy on the environment. It is just that we like to be logical. We do not like to hear all sorts of generalities quoted as if they were scientific facts.

We could well question our confidence in an intergovernmental expert panel which concludes that there is global warming after observing the disastrous results of government experts managing things like the fisheries. These governmental panels are quite good at destroying the environment while at the same time arguing they are protecting it.

The hon. member quoted from the *Globe and Mail* that the ozone layer was opening up a huge hole. However he forgot to mention that the *Globe and Mail* also mentioned that the scientist who had first discovered the ozone holes has now said he realizes it is part of a cycle and that it may not be a dangerous phenomena at all.

In addition he mentioned that we just had the hottest summer in 200 years but he did not mention what caused the hottest summer two hundred years ago. What does he think caused the hottest summer on record 200 years ago? It could not possibly have been the CFCs from refrigerators or the emissions from automobiles. I wonder if maybe the jury is still out on this whole thing.

Mr. Regan: Madam Speaker, my bet is Britain has only been keeping records of that sort in Britain for 200 years. Therefore it was the hottest in at least 200 years, maybe longer.

There are certainly changes in the environment. We know we have had an ice age. Temperatures go up and down over a long period of time. However when we see it happening much more rapidly it tells us something. We ought to wake up and realize it.

I have reasons for saying Reform Party members do not show the concern I would like them to show.

They may say in their blue book that they care about the environment, but what I hear in their speeches and in their comments is a lack of being convinced that the environment is a real problem. I think it is a big problem, and I wish they would share that view.

[*Translation*]

The Acting Speaker (Mrs. Maheu): It being 6.30 p.m., the House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

(The House adjourned at 6.30 p.m.)

HOUSE OF COMMONS

Tuesday, September 19, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 76 petitions.

* * *

[*English*]

PETITIONS

HUMAN RIGHTS

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I have several petitions to present today with well over 2,500 signatures from all across Canada but primarily from the province of Ontario.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

EXPLOSIVES ACT

Hon. Douglas Peters (for the Minister of Natural Resources) moved that Bill C–71, an act to amend the Explosives Act, be read the second time and referred to a committee.

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Thank you, Mr. Speaker. I rise before you today to support Bill C–71, an act to amend the Explosives Act.

[*English*]

The Explosives Act is an act of public and worker safety which regulates the composition, quality and character of explosives as well as the manufacture, importation, sale, purchase, possession and storage of explosives.

[*Translation*]

The amendment to the Explosives Act is important for a number of very good reasons.

• (1005)

[*English*]

First, at the present time there is no way to detect plastic explosives at airports. This act proposes the marking of plastic explosives by adding a chemical which would be detected by equipment at Canada's international airports and thus ward off the threat of terrorism.

Second, this amendment will allow Canada to be among the first nations to ratify an international convention requested by the United Nations and co–ordinated by the International Civil Aviation Organization with respect to the marking of plastic explosives. This convention was signed in March 1991 by 40 countries and 14 countries have already ratified the convention. Five of these nations, Norway, Spain, Switzerland, Slovakia and the Czech Republic, are producer states where plastic explosives are manufactured.

Third, given the fact that Canada is a world leader in vapour detection technology, Canadian equipment manufacturers will be able to take advantage of international market opportunities

for their products as more and more countries ratify the convention.

Fourth, Natural Resources Canada which maintains the authority to inspect and approve the manufacture, distribution and storage of explosives in Canada will be responsible for the application of measures to mark plastic explosives following the proclamation of this amendment.

Let me explain these reasons in greater detail. Members of the House will certainly remember the tragic events involving crashes of two passenger aircraft caused by the detonation of bombs made of plastic explosives. The first instance I wish to refer to involved Pan Am flight 103 from London which exploded over the small town of Lockerbie, Scotland. The other was UTA flight 772 which crashed in Niger, Africa. A total of 442 people were killed in these two crashes.

Then of course there were the Air India tragedies involving two 747 aircraft both of which began their journeys here in Canada. One crashed in the Atlantic Ocean south of the Republic of Ireland while the other miraculously made it to Narita International Airport in Tokyo, Japan, before a bomb made of plastic explosives blew up in the airport's baggage handling area. That bomb killed at least two innocent baggage handlers.

Although the cause of the first Air India crash has never been officially determined there is strong belief that it was the result of a plastic explosive device. In any case, plastic explosives have emerged as the weapon of choice for terrorist groups, both for bombing aircraft and other targets such as public buildings because this type of explosive is small, powerful, stable, malleable and most important, difficult to detect.

It is quite likely that if plastic explosives had been marked or tagged with a substance that could have been detected by equipment in Canadian airports it is almost certain that the Air India tragedies would have been avoided. Consequently, terrorists would be discouraged from attempting any attacks in Canada using plastic explosives.

For these reasons an international effort to mark plastic explosives for the purpose of detection was initiated by the United Nations and has been co–ordinated by the International Civil Aviation Organization. The resulting international convention requires states to ensure the marking of plastic explosives to enhance their detectability. At the same time the convention requires controls over the import, export, possession and transfer of marked plastic explosives and the destruction of most unmarked plastic explosives.

In March 1991 more than 70 states and six organizations attended a diplomatic conference where the convention on the marking of plastic explosives for the purpose of detection was adopted by consensus. Forty states, including Canada, signed this convention.

The main features of the convention are: only plastic explosives as defined in the convention are required to be marked; existing unmarked commercial stocks of plastic explosives are to be destroyed within three years; an international explosives technical commission will be created to assess technical developments; the cost of Canadian participation in such a commission will be low; and the convention will come into force after 35 states including five producer states have ratified it. Canada is one of the world's producer states and as I mentioned previously, we will be among the first countries to ratify this important convention.

It is evident that the proposed bill respects the terms of this convention. The proclamation of this amendment to the Explosives Act will ensure Canadian official ratification of this important international agreement.

● (1010)

Bill C–71 specifies that the explosives branch of Natural Resources Canada will take the lead role in the implementation of the provisions of the convention. Plastic explosives are manufactured by the private sector in Canada.

Following the proclamation of Bill C–71, Natural Resources Canada's explosives inspectors who issue explosives factory licences to the private sector under delegation from the minister will refuse to license any manufacturing operation to make unmarked plastic explosives.

Inspectors again under delegation from the minister will refuse import or export permits for unmarked plastic explosives. Inspectors could take samples of explosives to verify that they are marked and could seize and destroy unmarked shipments, unmarked stores or abandon unmarked quantities.

The explosives branch is best placed to determine the location of unmarked plastic explosives and to assure control over them through a stringent system of licensing which would be supported by regular compliance inspections. Regulations would require prior notification of change of ownership along with a statement of the details of the physical transfer.

The military agrees that it can, except in times of emergency, observe all of the terms of the convention. Unmarked stocks of plastic explosives would be incorporated in munitions or used up during field exercises on a priority basis.

Transport Canada, which is responsible for the operation of detection equipment at Canadian airports, has indicated that the current technology can detect the marked plastic explosives.

Further, the extra costs of producing detectable plastic explosives are expected to be negligible. The industry has been involved in efforts to develop substances to mark plastic explosives for the purpose of detection. Therefore the industry acknowledges that the impact of extra costs will not be serious. The industry, the Canadian police community and the military

were all consulted throughout the process to prepare this proposed amendment to the existing law.

The major consumer of plastic explosives in this country is the Canadian military. The construction industry is a relatively minor consumer using plastic explosives for the demolition of large buildings. Given this comparatively concentrated consumer base, it will be easy to monitor compliance with the amended act following proclamation.

While the Canadian military has a 10–year supply of unmarked plastic explosives, the convention on the marking of plastic explosives provides for a 15–year period of grace for ratifying nations to use or destroy unmarked plastic explosives.

In addition, given the low volume of plastic explosives compared to the volume of conventional industrial explosives, the challenge of enforcing the provisions of the proposed amendment and by extension the international convention will not pose a significant problem or cost to the respective regulatory bodies.

I wish to emphasize that Canada's position as a leader in the development of vapour detection technologies will be enhanced as a result of the ratification of this international convention.

Increased foreign market penetration by Canadian equipment manufacturers is virtually a certainty. Therefore the proclamation of this amendment has the potential to help stimulate job creation and contribute to Canada's future economic growth.

[*Translation*]

In conclusion, this amendment to the Explosives Act clearly shows the Canadian government's will to provide good government. We are committed to doing our part to protect the health and safety of passengers aboard aircraft using Canadian airspace and to doing everything in our power in co–operation with our partners around the world to ward off the threat of terrorism in the skies above Canada and other countries.

[*English*]

Passage of this amendment will allow Canada to ratify an important international convention which sends a strong message to terrorist groups that plastic explosives will be detected by equipment in our airports.

Further, Canada's ratification of the convention will demonstrate our leadership among signatory nations and encourage them to follow our example. In addition Canada is contributing to the development of substances to mark plastic explosives for detection.

With the ratification of the convention by more and more nations, Canadian manufacturers of vapour detection equipment will also be able to take advantage of significant marketing opportunities.

• (1015)

As a result this proposed amendment to the Explosives Act will contribute to two major federal goals: job creation and Canadian economic growth. Moreover, the passage of this amendment will protect the health and safety of all Canadians.

I urge the House give speedy passage to this legislation.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, I listened carefully to what the hon. parliamentary secretary to the Minister of Natural Resources had to say. It goes without saying that the Bloc Quebecois supports Bill C–71, an act to amend the Explosives Act, but I still have many questions to ask him.

I must admit that I was surprised when I saw Bill C–71 to amend the Explosives Act on the orders of the day. I was also surprised not so much by the bill itself, although one can easily wonder, but by the delay, the time it took the government to react. It should be pointed out that this bill implements the 1991 Montreal Convention. The Montreal Convention was produced at the March 1, 1991, meeting of the International Civil Aviation Organization.

The bill came five years later, give or take a month, considering that it was read for the first time on February 24. So, it took the government five years to produce a bill only a few pages long, two pages and a half to be more precise, giving the impression that this government is a bad student. Like some students, only a few, it put off doing its homework till the last minute, if not the last second. To look good in front of the international community, it has now seen fit, five years later, to make the Canadian explosives legislation consistent with the terms of the Montreal Convention.

The impression we get from that is that this government is not efficient. It seems to indicate that this government is no better in terms of efficiency than the previous one, which we gladly got rid of.

As we can see, this government is not efficient. Unfortunately, acting on the Montreal Convention is not the only area in which the government is not very efficient.

Unemployment remains high throughout the country in spite of election promises and other commitments. Regions in Quebec and Canada are still in an extremely difficult situation in spite of repeated promises. This government tells us day in and day out that it is concerned with the economy, yet the country is going from bad to worse.

With Bill C–71, the government is hoping to convince the public that it is deeply concerned with the problems associated with criminal use of explosives. If that were the case, it would be great.

One wonders however what purpose this bill is intended to serve. Note that I said the purpose of this bill, as opposed to that of the government, because in my view we must distinguish between the two.

Officially, the purpose of the Explosives Act is to ensure the public and workers' safety, and that is fine. It also regulates the ingredients, quality and properties of explosives as well as their manufacture, importation, sale, purchase, possession and storage.

• (1020)

Its scope even includes pyrotechnics commonly called fireworks. The act requires the marking of most plastic explosives, so as to detect them. It prohibits the manufacture, storage, possession, transportation, importation and exportation of unmarked plastic explosives.

The act also seeks to control the proliferation of plastic explosives used in terrorist incidents. It provides for exceptions which include research purposes, as well as police and military uses. These are the official objectives. However, from the outset, we can easily question the effectiveness of such a bill.

First, it must be remembered that the Montreal convention could not even be implemented because there were not enough signatories. Therefore, why bother marking our explosives if we are practically the only ones to do so? Sure, it can be argued that we should set an example. Canada has always been very good at that, but when we are faced with the reality, it is an altogether different matter.

. Canada is a peaceful country, but it is also a major producer of military equipment and explosives. I would love to think that, with this bill, we will solve the problem of international terrorism and that tragedies such as the Air India bombing and the incidents currently occurring in France will never happen again. Unfortunately, I cannot be convinced that this will be the case, because not all countries of the world are members of the International Civil Aviation Organization.

Those countries that provide weapons and explosives to terrorists will be even more reluctant to sign such a convention. They will certainly not pass similar legislation. If they do, they will continue to act like hypocrites. They will continue to make unmarked explosives and to sell weapons and ammunition on the international market.

The government's only real objective is to save face and to make Quebecers and Canadians believe that they will be better protected. With this legislation, the government is trying to look better than the others; however, there is a huge gap between theory and reality. Indeed, the government's real objective is to give the impression that it is doing what it should at home and on the international scene. This enables it to publicly pat itself on the back, even though it is well aware that the problem will in no way be solved and that the safety of Canadians will not be improved at all.

As a matter of fact, this government has always created illusions: illusions regarding safety, better economic performance, debt reduction, greater social justice, etc. So, we are going to mark our explosives. We cannot go against virtue. Once explosives are marked in Canada, so as to make them easier to detect, terrorists will surely be scared to buy them. They will no longer dare bomb anything in Canada. They will no longer dare fly on our airlines and use our airports. At least this is what the government would like us to believe.

Let us be honest with Quebecers and Canadians. Let us tell them that we are in fact passing this bill to ease our conscience. What will terrorists do once our explosives are marked? You know as well as I do they will go buy explosives somewhere else, where they are not marked.

• (1025)

The question immediately arises: Who sells explosives to terrorists? The federal government has no answer to this question. However, we do know that Canada is used by many criminal organizations as a convenient gateway to North America. This is true, for instance, in the case of organizations linked to the drug trade. It is common knowledge. Canada has a lot of trouble controlling drug trafficking within its own borders.

Canada has always had and still has trouble controlling alcohol, tobacco and cigarette smuggling. And now we are supposed to believe that this legislation will help them control the smuggling of explosives.

Now, do not get me wrong. I would be delighted if this happened. However, I am not so naive as to think that, all of a sudden, this legislation will give us a superefficient government. Once the legislation is passed, its implementation will not be easy. Marking explosives is pretty straightforward. Of course we have the technology, but do we have facilities across the country to help us detect marked explosives? What is the use of marking explosives if we do not monitor them?

Are border controls stringent enough to prevent smuggling of explosives? Will this government invest enough money to ensure the bill is actually implemented? I doubt it.

Good intentions are fine, provided they lead to tangible results. The government will have to answer all these questions if it wants to be taken seriously.

We support marking explosives if it can really make a difference. I am still waiting for evidence that marking will have any impact on international terrorism.

The bill also provides for certain exceptions which I had not discussed so far. These exceptions are substantial and have the effect of considerably undermining the whole credibility of this bill. Everyone knows Canada manufactures arms and explosives. The bill provides that explosives for use in research by the police or the military will not be marked.

The reason is obvious. If you go to war and the enemy can detect your explosives, you lose a lot of your effectiveness. That I can understand. But these exceptions, necessary though they may be, make the bill practically useless.

They have the effect of telling international terrorists where they can purchase unmarked explosives, and since we do not mark explosives destined for research for use by the police or military, we can say this bill will only affect a negligible part of the explosives used in this country.

Fine, we can say we will carefully monitor unmarked explosives destined for researchers, the police or military, although here again, do not depend on it. Everyone knows that, even where security is supposed to be tight, there is always a leak somewhere. And another thing, the Canadian border is in many respects as leaky as a sieve. Government cutbacks have also affected controls at the border and in our airports.

• (1030)

So, even if we do mark explosives and if we cut services further, it will not serve much purpose. There are good examples both past and present of the permeability of the Canadian border thanks to the carelessness of this government.

Canada is currently facing serious problems involving a number of well armed native communities. Some members of these communities are almost as well armed as members of the Canadian armed forces and certainly better armed than the police. We have experienced this sort of problem in Quebec, unfortunately. We might ask ourselves where these individuals got the weapons, ammunition and explosives. Are they Canadian or were they imported?

The Montreal region is currently in the midst of a veritable war among organized gangs of bikers. They are also well armed, as you know. Where did they get their weapons, ammunition and explosives? Can the government tell us?

They have shown that Canadian controls are not very effective. They have shown that this supposed great country where people allegedly enjoy a remarkable quality of life is living on a lot of illusions.

It cannot be claimed that this bill will give people greater security. It is true that the government has to legislate. It was established to govern our society. But it has yet to acquire the means to carry out the legislation it enacts. What is the point of enacting legislation, if we are unable to carry it out?

Instead of trying to ease its conscience, as it is attempting to do, and to improve its image internationally and endlessly repeating that Canada has one of the highest ratings in the world, this government should really make an effort internationally to try to correct certain injustices.

Except in the case of organized crime, the use of explosives in Quebec and in Canada for purposes other than those for which they were intended is neither obvious nor particularly frequent.

Along with adopting legislation on marking explosives, would it not be a good idea for the government to take steps to fight organized gangs, to acquire the means to monitor the movement of terrorists within the country as closely as possible and to tighten controls at border points as well as at ports and airports, ensuring more effective surveillance?

There is much public pressure now for anti–gang legislation. We know that gangs are the ones using explosives for criminal purposes. Having such a statute would be a hundred times more effective than marking our explosives.

Perhaps Canada once enjoyed a certain credibility on the international level. By adopting Bill C–71, the government is trying to bolster that credibility, which is seriously drooping these days.

The aboriginal problem has markedly lowered Canada's degree of credibility.

The Prime Minister's statements implying that he will not respect the choice of 7 million Quebecers in the coming referendum suggest that this government does not have a great deal of respect for democracy. In fact, this government's sole purpose in passing a bill on marking explosives is to give the illusion that it is fulfilling its commitments. It is proposing this five years after the Montreal convention, when it could have done so far earlier.

The effectiveness of such a statute is questionable. Do they really believe that Quebecers will be fooled, that Canadians will be fooled? On the international level, will the body of nations be fooled? Will international terrorism quake in fear of this new measure? I beg to differ.

• (1035)

I would be especially happy if this government really respected democracy and promised to recognize the results of the upcoming referendum in Quebec. I would be especially happy if this government did honour another one of its commitments by really creating jobs. I would be quite satisfied if this government could show me how it will succeed in reducing the common debt while respecting the most disadvantaged in this country.

I would be satisfied if Canada managed to regain a certain credibility at the international level, but not by taking action at the last minute in order to ease its conscience, as this government is doing by proposing this bill. Because contrary to what some members of this government and some Canadian extremists may think, we in the Bloc Quebecois are not ill–disposed toward Canadians. We simply want to give ourselves a country that will respect its neighbour.

The present government's attitude toward the traffic of explosives in Canada and toward the commitments made when the International Civil Aviation Organization met in Montreal shows everyone that we simply have a vision and that reality is quite different when one has to manage a country.

For ordinary citizens from the small towns and villages in my riding, this bill, whose only purpose is to enable the government to save face at the international level, is a little ridiculous. These people really feel that the government is wasting its time instead of dealing with the big problems they must face every day: earning an honest living so they can put bread on the table, as the Prime Minister keeps repeating every day; keeping their small businesses afloat; living safely and peacefully at home.

You can mark manufactured explosives all you want, these people will say, but if you do not fight social injustice and take real steps against violence, organized crime and terrorism, you are simply wasting your efforts. I am convinced that is the message I will hear back in my riding, and I can only agree with these people.

I urge this government to be a little more serious and take action for reasons other than to ease its conscience, because although we support this bill so far, we still have many questions. Is the bill's only purpose to allow the government to show off at the national and international level, or is it a real bill that will be acted on because we will give ourselves the means to do so?

[*English*]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is good to be addressing this, the first bill I have had the pleasure of addressing in my new role as the critic for natural resources. I would like to make a few general comments about the department before I detail our support for the bill and the reasons behind it.

I would like first of all to tell the Minister of Natural Resources that in my travels around the country this summer, checking into the background of the department, how her program is being received both in industry and among the provincial natural resource people, in many ways she seems to be moving in the right direction. She has been working hard. I think she is sincere in downsizing her department and getting out of areas that are traditionally and constitutionally in provincial jurisdiction. As she continues to do that, she will have my support certainly in getting the federal government out of those areas and allowing the provincial governments to carry out their mandate.

The resource industry is tremendously important to Canada. The energy, mines and forest sectors account for something like 13 per cent of Canada's GNP and a full 39 per cent of its exports, so the minister has an important resource to look after. If we were to add up the mining, forestry and gas and oil sectors alone, we have direct employment of almost two million people in Canada, again emphasizing the importance of that department.

• (1040)

It is interesting that under the new system we heard about the other day, the new system of rating countries in the world, Canada came out as the second wealthiest country in the world, based largely on its natural resources. Again, it is very important, obviously, that we must be good stewards of our wealth, make sure that our natural resources are properly managed, and that we take advantage in a sustainable way of ensuring that prosperity is made available to Canadians.

With that background, it is a privilege to be the critic in this very important area. I remind the minister that she will have my support as long as she continues to move.

It is also interesting that the areas in which the government has moved in natural resources have stuck very closely to the demands we made during the last campaign. For example, we warned against the idea that if we are not careful we could have a carbon tax in the country. The carbon tax did not come to fruition in the last budget, and I am not sure why. This was positive for the industry.

The minister has also taken steps to sell off the government's share of Petro–Canada, which is something we have been calling for, for some years. That is certainly long overdue. I have registered my concerns about the process by which the brokerage firms were chosen, but other than that we are pleased to see that Petro–Canada is being privatized. It is unfortunate that the cost to the Canadian taxpayer will probably be something in the neighbourhood of $20 billion, so the $2 billion that will be raised by the sale will be a small consolation to the Canadian taxpayers who are on the hook for about $1,480 each. Be that as it may, it certainly was a positive move.

Another encouraging move the minister has made was the guarantee that the government is out of the megaproject business. Again, that is something the Reform Party has been advocating for years. We will be out of the Hibernia project after this year, which is another positive step. It is interesting that all the things I would like to congratulate the minister on were certainly things we advocated before and during the last election campaign.

I am here this morning to speak to Bill C–71, an act to amend the Explosives Act, which will allow Canada to formally participate in the international convention on the marking of plastic explosives for the purpose of detection.

The purpose of the convention is to make sure that as many plastic explosives as possible are detected by the legal authorities, particularly at airports, in an effort to stop terrorism. This is really an anti–terrorism bill. I and my colleagues agree with the intention behind it.

After the Air India tragedy and the Pan Am bombing over Lockerbie, Scotland, in 1989 the United Nations passed two separate resolutions. One was passed by the Security Council and the other by the General Assembly. The resolutions urged the International Civil Aviation Organization, which is another UN body, to intensify its work on an international regime for the marking of plastic explosives for the purpose of detection. Out of the resolutions was born the convention I have already mentioned. It was put forward in Montreal in 1991 and signed by 100 nations. Although Canada signed at that time, it did not have the legal authority to ratify it. The bill we are talking about today will give Canada the authority and the ability to formally ratify that convention.

For the last four years research has been ongoing to consult with the industry and to develop an appropriate chemical marker, which has now been developed at laboratories in New Jersey. The time has come to ratify the convention.

Unfortunately the convention will not take effect until 35 nations become signatories. At least five of those signatories must be producers of plastic explosives. I understand that five producer countries have now signed, among them Slovakia, Switzerland, Norway, the Czech Republic, and Spain. Canada will be the sixth producer country to sign. That still means that only 13 countries, including Canada, will have legally ratified the convention, which is a long way from the 35 needed to actually put it in place.

• (1045)

Doubts have been raised as to the effectiveness of the convention when it is finally put in place. I fear that it may simply increase the black market for unmarked plastic explosives which will still be in circulation. It may also strengthen the network of terrorist groups that will continue to communicate with each other, more regularly perhaps, to get a supply of unidentifiable plastic explosives.

However I agree that the ordinary terrorist, if I can call such a thing ordinary, without international connections will be harder pressed to obtain material that will escape detection devices. Therefore the convention is a positive thing. I am recommending to my colleagues that the vote in favour of it.

Interestingly enough, although the United States has signed the convention, it has not yet introduced legislation to ratify that convention. We talked with the explosives industry organization in Washington called the Institute of Makers of Explosives. Its representatives say they endorse the convention. The Federal Aviation Administration, which is a leading agency in America, may introduce legislation soon to ratify it. To date nothing has come about to make sure this happens.

We have not had an instance for a long time like the Lockerbie incident or the Air India explosion. The urgency has somehow died down and the issue has probably taken a lower political priority, at least in the United States. I hope that it will not take another tragedy to bring this issue to the world stage once again.

The convention is not in force right now and therefore is not really relevant. Until the United States recognizes it, the remainder of the significant players in this game will not join in ratifying the convention.

The amendment to our act that we are discussing this morning will continue to be irrelevant until we do something on a political level to bring the United States into the game. Until that happens, nothing will get done and airline passengers all over the world will not receive the benefits that marking plastic explosives will bring.

Today I am calling on the Minister of Natural Resources to address this on a political level, to call her American counterpart and bring him up to speed on this issue and to urge the United States to move on this issue and formally approve the convention so we can keep terrorism in its hole where it belongs.

The minister has shown leadership. I have mentioned some of the positive things she has done in her portfolio. I would ask and encourage her to put her words into action now on the political front internationally and show some leadership with our American friends in urging them to sign this convention as quickly as possible.

I have some relevant comments to make regarding other issues about the Explosives Act. Allow me first to give our listeners some background on explosives in Canada and then I will get to the amendment.

First let me talk a little bit about the general explosives regime in Canada. There are about 100 licensed producers of other explosives but only one manufacturer of plastic explosives in the country. This producer is located in Quebec and only produces plastic explosives on an as needed basis, mostly for military demolition charges. We are not talking about a major market for plastic explosives or, for that matter, a major problem with them.

Our 100 producers of conventional explosives are served by a 30–employee branch within the Department of Natural Resources Canada and there are five regional offices including one on West Hasting Street in Vancouver.

I have some personal experience with the explosives branch in my former life as a logging contractor and a road builder. Certainly in British Columbia one does not do a lot of that without dealing extensively with explosives. I have in the past received my blaster's certificate, taken the exams and so on in order to deal with explosives. However, we have not had an extensive problem with abusive explosives in Canada. Historically that has been a blessing and I hope that will continue.

However, there is an ongoing problem that seems to be happening in one region of the country. It is what happened when the Hell's Angels decided to take things into their own hands in Montreal. These ongoing biker wars in Montreal with cars, kids, restaurants, bystanders and even the odd member of the biker gang have been a concern to Canadians and are a growing concern about the use of explosives in terrorist activities. Police warn that this could be just the beginning.

• (1050)

The Hell's Angels are the biggest, wealthiest motorcycle gang in the world. It is working hard to tighten its grip on drug trafficking, prostitution and gun running right across Canada. It seems to have chosen explosives as the anonymous method of choice for killing rivals.

As the police begin to scrutinize these groups more and more closely, the groups may be driven to use more covert methods. There is always a possibility that plastic explosives that currently are not being used for these purposes will be used in their terrorist acts and innocent people may continue to be killed.

I have been assured that plastic explosives have not been used to date in any of the Montreal explosions, but only explosives that are more easily obtainable from regular construction, mining and road construction.

Who knows when some biker gang could put plastic explosives on some kind of public transport and kill many more innocent people? Plastic explosive that is marked with a chemical identifier would ensure that this would become much more difficult and may even deter criminals from using it. That is why Bill C–71 is a positive move. Although it may have a very negligible impact on that market, at least it is a positive step and deserves to be supported.

I also have some concerns with conventional explosives. The last example is in Montreal, which is not a worker health and safety problem that the Federal Explosives Act is meant to address. It is a security problem, with these same biker gangs that seem to strut their stuff by killing innocent 11–year old kids and so on.

What about the explosives used in these biker bombings? It is interesting that Quebec has the strongest provincial security regime regarding explosives in the entire country, something which it put in place following the FLQ crisis years ago. Yet it cannot seem to find out where these people are getting their explosives.

I want the House to know that not every piece of explosive was detonated in those killings. In one bombing police came upon several sticks that did not explode. Why could these explosives not be traced back to the original vendor so we could find out who sold these explosives to whom and try to catch these thieves and black marketeers? Someone must be currently licensed to store or use explosives and is selling it via the black market to these gangs. However we just cannot trace them. Although the boxes are marked at the factory, the individual sticks or cartridges of explosives inside the boxes are not. To mark each one individually would be an incredible amount of work and probably far too costly to contemplate.

However a solution to this has been suggested by the American Institute of Makers of Explosives, the industry representative of explosive manufacturers in the states. Its solution could help Canada's growing security problem with explosives. It is not a solution that would require legislative change but only a change to the regulations attached to the act.

The Institute of Makers of Explosives is calling for a study on a proposal it has made of including tiny plastic and metal chips in the explosive material itself which is coded by colour to identify the manufacturer. After an explosion investigators would look for the chips in the debris and be able to trace the explosives in that way.

I have a description paper on the study that has been proposed. The institute suggests studying this to see whether it is either economically possible or even a positive move. At least the study should include whether those types of identifiable tags of plastic and metal parts should be used.

The institute promotes the objective study of placing such tags into the explosives and whether it would be an effective law enforcement tool. It wants to study whether it would be a negative impact on the environment because of the presence of these chips. It wonders how efficient it is and whether a significant number of bombings would be traceable. Although there were 2,300 bombings in the United States last year, only 36 involved commercially available high explosives. They also want to know about the cost.

The institute is willing to take part and participate in a study on all those things. It would investigate whether this could help to deter things like the Montreal bombings. It would certainly make the explosive traceable to where they are manufactured and sold.

• (1055)

This study is worthy of support. It may be a suitable way to trace explosives. I hope that the Canadian government will participate in the IME study to see if it could have application here.

I believe that knowing explosives were traceable might deter people from being dishonest and selling them on the black market. If they do that, they should know they are contributing to murder and violence. At the current time they are getting away scot free because the explosives are untraceable.

I mentioned earlier my support for this amendment. However I need to mention, in light of the couple of negative comments I have about this bill, the timing of it and so on had to do with what is really minor housekeeping business being brought to the House. Admittedly, as I mentioned, we will support it.

There are a whole slew of very serious issues, some of them involving biker gangs, some of them involving other criminal justice issues that could be brought to the House and should be dealt with as quickly as we are prepared to deal with this one.

We have a multitude of problems that people were telling me about in my travels this summer, especially in the criminal justice area that are far more serious than this anti–terrorism bill. It could save more lives if the government would listen to the Canadian people and put the rights of the law–abiding citizen ahead of the rights of the criminal.

I wish today after we deal with this we would be spending time next on a crucial and critical bill dealing with amendments, for example, to the Young Offenders Act or on critical bills like enabling legislation that would allow for a national binding referendum on capital punishment. Those are measures of some substance that people would say are moving Canada toward a safer system or toward a system that I can have faith in.

This anti–terrorism bill we are dealing with today is not going to affect most people even a little. There are many issues that we could be and should be dealing with quickly that could reinforce people's faith in the justice system. Certainly I do not see them on the legislative Order Paper and that is one of the things that is unfortunate.

Allow me to sum up. I call on the minister today to contact our American counterpart and urge the United States to sign the convention, thus making our legislative amendment more relevant in the world.

I also urge her to take part in the study being proposed by the Institute of the Makers of Explosives in the United States which would look at the idea of placing identifiable chips in explosives so that we could trace them when we are confronted with criminal misuse of explosives, a problem that seems to be increasing.

For a long time we have had the luxury of concentrating on worker health and safety through the Explosives Act. These are important issues and it has been most of my experience with the Explosives Act in my own personal background.

I believe the day is approaching when the federal government will have to turn its attention toward enhancing the security of all Canadians through more accurately identifying the source of explosive charges. We should at least have in our possession the options identified and priorized in case we need to move toward traceability of explosives in a more extensive way.

I reiterate my support for Bill C–71. I do not believe it is going to set the world on its head, but the intention behind it is good and I support it. I do not see why we should take any more of the valuable time of the House to deal with this matter.

There may even be unanimous consent to move directly to a committee of the whole and dispense with this bill in short order so that we can get on with dealing with some of the more critical issues that I mentioned earlier. If the government wishes to make such a motion, I will stand in support of moving to committee of the whole.

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, I thank the hon. member for his offer. I believe the parliamentary secretary to natural resources will take his suggestion under advisement. Perhaps there is a way to expedite the bill. I am pleased to speak on Bill C–71, the marking of explosives for detectability.

• (1100)

I congratulate the parliamentary secretary and the member for Moncton for his fine words this morning on the urgent need to essentially deal with an important piece of legislation concerning the security of Canadians, at the same time hopefully making it possible for us to deter terrorists from using plastic explosives to undermine the social fabric and security of the country.

There has been some experience around the world with plastic explosives being used by terrorists against civil aviation targets. The roll call of terrorist acts which have resulted in the deaths of innocent people on aircraft and the destruction of those aircraft as the result of sabotage by plastic explosives is a tragic one.

Unfortunately the world as we know it continues to have its dangerous and uncertain elements and conditions remain ripe for the emergence of people who will take the law into their own hands and cause such tragedies and suffering. Canada and all like minded nations must continue to be diligent in order minimize the chances of such acts of depredation occurring in their countries or be visited on their citizens.

The legislation before us to date cannot solve the problems of the world that give birth to terrorism. It can however enable us to put another brick in the wall which governments are building to reduce the ability of terrorists to act against the peaceful interests of states and their people.

As has been described so clearly by my colleague, the bill is designed to ensure the so–called marking agent is inserted in plastic explosives. This action will improve immeasurably the ability to detect these explosives using the right equipment. This is an essential step in the development of a system which will provide Canada with the capability to respond effectively to terrorist threats of sabotage using plastic explosives.

It should also be a matter of some pride that Canada has played such a pivotal role in developing the international framework for marking and controlling plastic explosives. Canadian scientists and technical experts have been world leaders in solving the technical problems associated with putting markers in explosives in a way that ensures their detectability while in no way jeopardizing either the essential function of legal explosives or degrading their safety or environmental acceptability.

Both the government and the Canadian explosives industry recognize that Canada must continue to be in the forefront of developed nations ensuring all reasonable actions are taken to thwart the activities of terrorists. Our passage of this legislation will send a clear message to other countries including the United States that we are committed to improving the framework for combating terrorism and that we are taking positive steps to ensure this happens earlier rather than later.

We must continue to remain aware that the legislation represents not so much an end point of a process but rather a point along a continuum of actions which must be encouraged and nurtured to ensure Canada and other nations remain vigilant in the fight against would be saboteurs.

In consequence of this approach the government is extremely mindful that along with the ability to make explosives more easily detectable is the requirement to have the right equipment in the right places to detect terrorist activities. The sad history of terrorism demonstrates clearly that the air carrier industry has been a target for the such activities. We are confident the equipment in place at airports today is appropriate to the threat and the risk that prevails in Canada.

Let me assure members of the House as well as the public that we have the capacity today to detect plastic explosives. That does not mean the government is complacent about aviation security, far from it. For its part Transport Canada keeps it aviation security regime under constant review in order to ensure it is properly configured to respond both to the situation which prevails today as well as to any change in threat that might arise.

Mindful of the gains to security that might be available as a result of the improvements to the detectability of explosives which will arise in response to this new legislation, and keeping in mind constant improvements in detection technology, Transport Canada in co–operation with industry and other interested departments will soon begin an in depth review of its equipment deployment strategy at airports. Once the review is complete the Minister of Transport will be looking to see what refinements might be needed to ensure Canada remains in the forefront in terms of our ability to respond to terrorist threats where and when they exist.

• (1105)

This legislation is an essential part of the mosaic to respond to the scourge of terrorism. It has been developed in close collaboration among many departments and is fully consistent with the overall approach among many countries. The principles contained herein have been embraced by the industry which it affects.

This collaborate endeavour should be enough to convince the most skeptical of observers that Canada is fully committed to combating terrorism. I entreat all members to demonstrate their personal commitment to this effort by voting for this legislation.

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, I compliment the parliamentary secretary for his excellent address. I have a question relating to the role of transport and the detection of explosive devices and whether this bill will be of any assistance to the department in trying to regulate that.

We are hearing a number of speeches this morning talking about a number of things that are not relevant to what we are trying to achieve here, which is merely to detect plastic explosives normally in a situation in which they are being transported on an aeroplane. Transport obviously has an integral role to play with respect to that. Perhaps the parliamentary secretary could comment.

Mr. Fontana: Mr. Speaker, while my remarks may have addressed Transport Canada's concern with regard to the absolute necessity that we have this legislation in place, it is important to note—and I assure my colleagues in the House as well as the public—that Transport Canada has the ability and the equipment which are important at our airports to ensure we can detect plastic explosives.

It is in place now and we will continue to review any improvements required to ensure the travelling public at our airports that the aviation security regime is in place and is at the forefront of detecting these plastic explosives.

It is important that all nations ratify the convention. Our borders are open and Canada deals with every country in terms of trade, as well as tourism. It is important to ensure Canada take this leadership role today and move on with the legislation so that hopefully it will encourage other nations to participate.

To answer the question of the parliamentary secretary, through him to the public, Transport Canada has the equipment and the confidence that we are able to detect any plastic explosives introduced in the aviation regime.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I rise on behalf of the New Democratic Party caucus to say a few words about Bill C–71, an act to amend the Explosives Act.

The Explosives Act is an act of public and worker safety which regulates the composition, quality and character of explosives, in addition to their manufacture, importation, sale, purchase, possession and storage. It also controls the use of fireworks. This amendment is necessary, according to the government, to require the incorporation of a detectable additive in plastic explosives, coupled with a provision to make regulations to control unmarked plastic explosives.

It is claimed this will hinder terrorism and enable Canada to ratify an international civil aviation organization convention on the marking of plastic explosives for the purpose of detection.

The principal provisions of the bill require the marking of most plastic explosives for the purpose of detection and prohibit the manufacture, storage, possession, transfer of possession, transportation, import and export of unmarked plastic explosives, except that may be permitted by the terms of the convention or required by overriding military necessity. Also the principal provisions of the bill allow the governor in council to make regulations governing the possession, transfer and disposal of any unmarked plastic explosives.

• (1110)

New Democrats support positive initiatives which reduce crime, reduce terrorism or which make our country safer for Canadians, all those to be included in that heading.

The bill, although not as timely as we would like, will be a positive first step in addressing illegal and other terrorist acts. We are concerned as New Democrats that this initiative is a delay on the government's part.

We have other concerns about the bill. One is that in June 1989 a United Nations security council resolution called for the international civil aviation organization to intensify its work on devising an international regime for the marking of plastic or sheet explosives for the purpose of detection. Later that year, in December 1989, the same resolution was passed by the United Nations general assembly of that sitting. We are now looking at 1995 where the government is undertaking to introduce this bill which would achieve the convention.

I heard the parliamentary secretary say in the House that it was a leadership role. I have some questions with respect to how forthright and how strong this leadership is mainly because Canada has had five or six years to introduce the legislation in the House of Commons. The government is just meeting the requirements of the convention. Why is the government not undertaking to make it more restrictive to purchase explosives and safer for Canadians? Why is the government not undertaking to make it more difficult to purchase explosives?

We have seen a long and drawn out debate on gun control legislation and the registration of firearms. Where was the government in terms of saying there is one manufacturer in Valleyfield, Quebec, manufacturing explosives? However the government will not deal with making it more difficult to purchase bombs.

It is a indication of the weak leadership capacity of the government where it is not going beyond the convention. Why not go beyond the convention and undertake to introduce regulations which will make the purchase of plastic explosives and bombs more difficult for Canadians and for others outside the country? The government could have gone one step further.

Has the government undertaken to study whether there is new technology on the horizon which would detect existing plastic bombs? We have seen all sorts of new computer technology introduced in the last number of months. It is being introduced on a weekly basis from a number of different companies, not just computer companies but technologically based companies. Why has the government not pursued with private sector corporations developing a technology which would identify plastic explosives now as opposed to waiting for 35 other countries to sign this convention and hopefully in the next 15 years have this problem addressed?

I think 15 years is a bit long to be waiting to have this problem addressed. In 15 years a lot of people and a lot of organizations can purchase explosives and use them in a very damaging way, especially on the Canadian population.

We are wondering what the government is doing in that regard, why it has not taken a leadership role, as it calls it, in undertaking to make it safer as opposed to meeting the basic requirements of an international convention which will not be in effect internationally for another 10 or 15 years, or who knows how long.

I wonder what the bill will do with respect to diminishing terrorism in Canada, for example in the Montreal situation where motorcycle gangs are having a bit of a set to in essence. They are killing each other with bombs, perhaps not plastic explosives but with dynamite and other explosives. What is the government doing

in response to making our communities safer, making Montreal safer and addressing this very serious problem in Quebec?

Let me share with members of the House and Canadians what the government is doing. It is not doing a lot. The Minister of Justice travelled to Montreal to meet with the mayor of Montreal to discuss anti–gang legislation which the mayor has asked the federal government to implement. What has the Minister of Justice done? He listened to the mayor, had a nice little trip and had a lunch, but he will not do anything with respect to this issue because there are more important issues like gun control and registering which are creating all sorts of problems. He will not look after the bombs. We will leave the bombs up to the gangs. We will let the manufacturers of explosives continue to manufacture these things and sell them in the communities of our country so that people can use them to kill each other and innocent bystanders in larger numbers than with rifles.

• (1115)

I am wondering what the government is doing with respect to solving this problem in Montreal. I share the concern of members of the House, particularly from the province of Quebec, who are very concerned that this very serious problem be addressed. The bill will have absolutely nothing to do with addressing this problem in Quebec. I am sorry to see that happen.

I will not take up a lot of time on the bill. As I said, it is a good first step. I have another concern, and it is in response to the Parliamentary Secretary to the Minister of Natural Resources when he says that the military has a 10–year supply of plastic explosives.

Canadians are wondering what will happen with this 10–year supply of plastic explosives as it relates to the bill. Will the military use the explosives as they are, with undetectable components in the explosives? Will the government have the military destroy the undetectable explosives and have it purchase the new formula explosives so that they are detectable?

These are questions the government should be answering. I guess Canadians would like to ask what the military is doing with a 10–year supply of plastic explosives. Are they assuming that something very serious is going to happen internationally and we may require these explosives?

These questions have to be addressed by the government. The bill excludes the military use of plastic explosives being detected for emergency purposes. I would like to know how the government defines emergency use of plastic explosives by the military so that it may be exempt from the clauses of this convention. Does this mean that all the military in every country in the world is exempt as well, or is it just the Canadian military? If that is the case, does it have a very secure system of storage of plastic explosives so that if it is undetectable at least it is safely stored away and for the purposes of military uses only?

What kinds of restrictions, what kinds of regulations, what kinds of registration systems do they have for plastic explosives for the military?

In summary, we are very concerned with respect to the bill. It is a good first step. It is not a large enough step in terms of addressing the issue. I do not think it is happening quickly enough. If the Canadian government is serious about passing the bill, it will have a plan of action in place to contact other countries that are co–signators of the convention to have them introduce their legislation in a very timely way so that we can address this problem quickly, as opposed to over the next 15 years.

I would ask the government in its initiative to undertake to contact these other governments in a very formal way to ensure that this convention is signed by the minimum number of countries required to make it effective internationally.

New Democrats support the bill in principle. If some of these questions can be answered accurately and satisfactorily, we will give our support to the bill. I wait for and look forward to the bill coming to committee so that we can ask these questions in greater detail.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to, bill read the second time and referred to a committee.)

* * *

• (1120)

AUDITOR GENERAL ACT

The House resumed from September 18 consideration of the motion that Bill C–83, an act to amend the Auditor General Act, be read the second time and referred to a committee.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, it is a very real pleasure for me to stand to speak in support of Bill C–83.

It is entitled an act to amend the Auditor General Act. It seems to me that it is very difficult to get excited about a bill with a title like that. However, I should explain that this legislation is designed to fulfil a commitment made in the Liberal red book and supported by all environmentalists and all environmentally minded business people before and during our election, that is a commitment to appoint an overseer for environmental matters in the federal government.

I would like to read out the red book commitment before addressing the actual terms of Bill C–83. The red book states that the government:

> —will appoint an Environmental Auditor General, reporting directly to Parliament, with powers of investigation similar to the powers of the Auditor General. This office would report annually to the public on how successfully federal programs and spending are supporting the shift to sustainable development. The report would also evaluate the implementation and enforcement of federal environmental laws. Individuals could petition the Environmental Auditor General to conduct special investigations when they see environmental policies or laws being ignored or violated.

Bill C–83 deals with that promise we made in the red book. It deals with appointing an auditor for sustainable development in government.

Sustainable development is simply common sense in government, in business affairs, and in our everyday lives. Sustainable development is human beings living on the planet in such a way that they maintain a healthy environment around them.

It is illogical and also immoral for us to think that we can live on the planet, conduct a business on the planet, or conduct a government operation on the planet without taking into account the health of our environment in the long term. If we do not, one day those bad policies would catch up to us. Our personal health would suffer, the health of our children would suffer, and so on.

Sustainable development, which is mentioned in our promise, is simply a sensible way of living on the planet, a sensible way of conducting business, and a sensible way of running a government.

I am delighted to see Bill C–83 before the House. Its purpose is to establish a commissioner for the environment and sustainable development within the office of the auditor general. I should explain this, because our red book commitment states that we will appoint an environmental auditor general.

When the Standing Committee on Environment and Sustainable Development was conducting public hearings there was a great deal of support for the idea of having an environmental watchdog in the federal government. There was a good deal of discussion on what form or what powers that person and that office should have. One view was that there should be a separate office called the environmental auditor general. That office would have functions very similar to those of the auditor general's office today, the general watchdog on government.

Another view was that there should be a commissioner. In some other jurisdictions there is a commissioner for the environment who performs not only the sorts of watchdog functions that our auditor general does for the federal government processes but also acts much more as a conscience for environmental matters as a point of contact for ordinary citizens who want to communicate their concerns with government, in this case about the environment and sustainable development.

• (1125)

Under Bill C–83, in fulfilling our promise to provide an environmental auditor general I believe we are going further. We are providing a commissioner for the environment and sustainable development, whose office will be within the present office of the auditor general.

It is important to realize that we are putting our environmental concerns in exactly the same place as our business concerns, our concerns about the efficiency of government.

Under Bill C–83 we will see the creation of a commissioner whose new office will confirm the government's commitment to put its own house in order from an environmental and sustainable development point of view. Any greening of government policies we put into place will be monitored by the commissioner.

This person will be available to the public and will be required to report to Parliament. By making the appointment the government is holding itself accountable for its own environmental performance. Because the federal government is a very large and powerful organization—and some of us think it too large and powerful—the commissioner will be able to promote sustainable development not only in our own government but throughout society by example and in other ways.

The commissioner will be the auditor general's right hand person on all environment and sustainable development matters. In addition to helping the auditor general in those very special and important areas, the commissioner will monitor and report to Parliament every year on how all government departments are putting their sustainable development strategies into practice, on how the ministers are responding to petitions from the public on environmental matters.

On reading the legislation I was also interested in something else, which actually is different from the way I have thought of the environmental and sustainable development commissioner watchdog as it was presented in the red book, that is the matter of appointment of the commissioner. To be honest, I was involved a little in developing parts of the red book and I had not given much thought to that. I had not thought through how one would appoint a person who is independent of government and who could criticize government.

In this case, it is interesting that the legislation we have before us provides for the auditor general, who is already well accepted as an independent arm's length office holder, to make this appointment. I like the fact that this will not be an order in council appointment. It will not be an appointment by the Prime Minister. It will be an appointment by the auditor general, who will be directed to seek out an appropriately independent person who will become our commissioner for the environment and sustainable development. I like that. That fits in with the already existing—and I think accepted by the general public—arm's length principle of the auditor general's office. It is very

important that the commissioner for the environment be independent and be seen to be independent of government. I am glad the appointment is being dealt with in that way.

I mentioned earlier that one of the ideas discussed was the watchdog would be a separate office like the auditor general's office. In this legislation we provide for it to be within the auditor general's office itself. What are the advantages of that? Mr. Speaker, since you read the auditor general's reports from cover to cover when they appear every year, you will know that the auditor general already makes a point of reporting on environmental matters. It is not something that has been ignored by the auditor general. In a sense that function is already there and we are strengthening it by the appointment of a commissioner who will be working with the auditor general.

• (1130)

The commissioner, unlike some of the other people who are appointed to the auditor general's office, will be appointed because of his or her expertise in the area of environment and sustainable development. That is quite different from the present where naturally in the auditor general's office accountants and people who can read financial statements are needed. This is all very important.

There will be a specialist who can advise the auditor general on environmental and sustainable development aspects of government. This will strengthen the auditor general's office and will give the commissioner a sound foundation for his or her work.

Another advantage is that the auditor general already has a respectable reputation for independence. Instead of having to start spending considerable time building a new position and to show very clearly that he or she is independent of government, this new commissioner will already be working in a respected arm's length office which I believe helps.

There is a financial advantage to it. We already have an auditor general's office and there are efficiencies in terms of support and things of that nature. It fits in with our concerns for efficient and economical government at the present time.

There are a couple of other things about this matter. One is that by being in the auditor general's office the commissioner immediately has the advantage of sharing the spotlight which is on the auditor general's report every year.

One way the auditor general works, and I think ministries feel paranoid about it, is that the publicity which surrounds the release of the auditor general's report is used as a vehicle to make sure that the recommendations of the auditor general are implemented. That spotlight does exist.

The media now wait every year, as members do, for the auditor general's report. When the scandals appear they are in the spotlight. It is one way our system works to cleanse itself and make itself more efficient. By putting the commissioner in the auditor general's office we immediately get a share of that spotlight for environmental and sustainable development affairs. I like that.

The other reason I like the integration in the auditor general's office has to do with what I tried to say about sustainable development in the first place. The environment and sustainable development are not things which are separate from government. They are not things which are separate from the way we live our daily lives. They are not things which are separate from the way business is conducted. As I tried to explain at the beginning, if we do not live in a sustainable way on this planet, in the end the planet will destroy us. I do not believe the planet is at risk, I think it is human beings who are at risk.

By putting the commissioner for sustainable development and environment in the auditor general's office, we are sending out a signal that we realize business, environment and sustainable development are all part of the same thing, that the functions of our auditor general automatically include environment and sustainable development.

In the section of the red book I reminded the House of, the recommendation included the matter of citizens petitioning the government with their environmental concerns. I am pleased to see in this legislation that the commissioner is required to deal with petitions and to monitor petitions received by all of our ministries on environmental matters. This means that citizens dealing with ministers have someone watching over their concerns.

I like to think that most ministries take petitions seriously but in this case the commissioner is required to monitor each minister's response to petitions on the environment. This extends the public's power to influence government in what I consider to be a very important area.

Ministers will have 120 days to respond to the petitions with extensions to that only under very exceptional circumstances. The commissioner will see to it that the ministers respond. That is very important.

• (1135)

Another item which is built into the terms of reference for the new commissioner is the fact that our government departments are required to develop their own sustainable development plans. They have to develop these plans within a certain period of time. Once they are established, every three years they have to renew them.

I know directives of this sort go out on various matters to departments from ministers' offices and we sometimes wonder if anything happens because the organization is so big. In this case the commissioner is specifically directed to monitor each ministry's ongoing plans for the environment and sustainable development within that ministry's jurisdiction. The commissioner is required to report annually on those plans. This is building checks and balances into the basic system of government which ensure that the environment and sustainable development are built into everything we do.

I know this is not easy. When the economy is difficult we have the tendency to forget environmental matters and the basic health of our population and the effects a polluted environment will have on us. When the minister introduced the legislation yesterday she mentioned some of the things which have been done. These are things which will help the commissioner to ensure that these measures are properly implemented.

In Environment Canada we have already implemented green procurement policies which emphasize reduction, reuse and the purchase of environmentally sound products. The fact that we have announced that policy and the fact that we will have an environmental watchdog to see that we implement it are very important.

We are already managing the ministry of the environment vehicle fleet to reduce emissions by 30 per cent by the year 2000. In all offices in the ministry zero waste is now the target. We are improving energy efficiency in all ministry buildings and conserving water by means of water audits in all Environment Canada buildings. Those are examples of what one ministry is doing. Those are the sorts of things which the new commissioner for the environment and sustainable development will be asked to monitor.

In summary, under Bill C–83 the auditor general's office is exclusively given the environment and sustainable development responsibilities and the staff to carry out those responsibilities. The commissioner will allow us to show leadership in a wide range of areas involving green government and sustainable methods of governing. The commissioner will monitor all ministries continuously and will ensure that they are accountable. The legislation will allow Canadians to approach the government much more readily with their environmental concerns.

In particular, the commissioner will integrate the environment into the normal business of government. That is what sustainable government is all about. I congratulate the Minister of the Environment on this legislation and I look forward to its rapid implementation.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my colleague's speech indicates a certain naivety. I understand the creation of a commissioner of the environment and, moreover, we are in agreement with the bill, but it will not solve all environmental problems.

In listening to what he has just said, I got the impression that this commissioner was to solve all of the problems in place within departments and all of the problems in Canada, and I do not think that this will be the case.

• (1140)

If I may, I would like to make a small comment on the role of the commissioner of the environment, his or her appointment in particular.

It is our sincere wish that this commissioner's appointment be non–partisan and non–political. In environmental issues, I feel that the minister has made political decisions rather than environmental ones. Among others, the *Irving Whale* issue alone is a great scandal.

I would like to ask my colleague whether he feels that the commissioner of the environment and sustainable development ought to have total power to reverse a decision such as the one in the *Irving Whale* situation, where everyone is fully aware that the environmentalists were against that decision anyway. I would like to know his opinion. Should this commissioner not be totally empowered to act in a very timely manner so as to be able to reverse just such a decision as we have seen this summer?

Mr. Adams: Mr. Speaker, I thank the hon. Bloc member for her question.

[*English*]

On the matter of the member's first point, I am sorry if in my enthusiasm I conveyed the idea that one step like this can solve all problems. We all know that in all areas of government there is no magic formula which solves everything. It does not.

I believe that this is not just one decision. It builds something into government which will tick away day in day out, year in year out for decades and I hope longer to come. It will continuously influence and produce changes which will go on for very long periods of time. I appreciate the member's point and I apologize if I gave the impression that it would solve everything.

On the appointment I explained that I like the idea it will not be an order in council, that it will be an appointment made by the auditor general. The auditor general is an arm's length person. He is not a political person. I believe it will be non–partisan. As I said in my remarks I like that idea.

On the point about the power to reverse decisions, I do not believe for example in the case of the auditor general who overviews all government that a watchdog of that type should be able to step in and have draconian powers to interfere with the general running of government. I believe he or she should have all possible power to pressure for changes, but I do not believe it is feasible to have a watchdog who can stop government or change government on any particular issue.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I will make my question very short and succinct for the hon. member.

Government watchdogs in the past have proven to be little more than government lapdogs taking the direction of the government. Is it the government's position that it is going to come up with a new concept of a watchdog, or is this simply the government's way to ensure that it can control the agenda of environmental processes?

Mr. Adams: Mr. Speaker, I really am shocked by this, particularly in the context of this debate. Perhaps there are some specific examples which the member can refer to. Is he really saying that the auditor general is a lapdog of this government or previous governments?

I believe it is something that the member should withdraw with respect to the person of the auditor general today and with respect to the office of the auditor general. He can criticize the way an office like that functions. He can criticize their views and things of that sort. I know he did not mention the auditor general and perhaps that is what he is going to say, but this is what the debate is about. It is about the office of the auditor general. I think that is a shocking aspersion on the auditor general.

I have agreed that such offices do not cure all our problems. I have to believe the auditor general is independent, is honest and is efficient. I know the auditor general cannot cure all the ills in government.

I hope the member will withdraw.

• (1145)

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I might just clarify my colleague's point to the hon. member for Peterborough.

He was saying that we have seen example after example in the House, during this Parliament and in Parliaments before, where the auditor general has come down with scathing reports about the operation of government departments and ministries, only to have these reports totally ignored by the government of the day.

Unless the government is truthfully committed to acknowledging, respecting and acting on the recommendations and the findings of the auditor general we could appoint a million government watchdogs and a million auditors general to keep an eye on the government. If the government continually will not do anything about it, what is the use? That is the point.

What assurances do the House and the Canadian people have that this new appointment, if it is to be effective, will act on the recommendations and on the reports and criticisms of this position?

There has been no example in the past of the government making any meaningful move toward acting on auditors general's reports. What assurances do we have now?

Mr. Adams: Mr. Speaker, I thank the member for Prince George—Bulkley Valley for his remarks and for his clarification. I accept that and it was not as personal as his colleague intended.

It is the job of the House, including the member opposite, to see that governments of the day carry through with their commitments. In this case I mentioned environmental policies put into effect by the government. We are debating a promise the government made before it was elected, which it is putting into place. Here is an example of something being done.

When the commissioner starts to report and the member opposite receives this new information about what is happening in government I hope he will use it as a stick to see to it the government of the day, ours or any other, makes the government as green as possible.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I am pleased today to speak to the second reading of Bill C–83, an act to amend the Auditor General Act to establish an office for monitoring and auditing government departmental work involving sustainable development.

I am pleased to speak to the bill because it addressed a subject very important to me. In the previous Parliament I had a private member's motion that called for the government to establish an environmental auditor general. It had a lot of support from all political parties of the time, environmental organizations and ordinary Canadians. I also sat on the environment committee last year when it studied and reported on the idea of establishing such an office.

That report, issued in May 1994, looked at the need for environmental auditing and concluded Canada needed not just an auditor but a commissioner of the environment and sustainable development.

The committee stated in its report: "Virtually all witnesses saw the area of independent policy review as being the biggest gap that currently exists in the framework by which the government is to be held accountable for its sustainability efforts".

Most of the witnesses said more than an auditing function was needed. François Bregha, president of Resource Futures International, said a policy evaluation role was necessary because we do not have the criteria right now to measure our progress toward sustainable development.

Bill Andrews, executive director of the West Coast Environmental Law Association, agreed: "What is missing is an independent policy analysis role so that if there are major gaps in policy decisions there is some way of knowing they will come to public attention".

The committee also recommended that the office of commissioner be established by new and separate legislation, not just with an amendment to the Auditor General Act.

• (1150)

Paul Muldoon, former member of the task force on the Ontario bill of rights, stated separate legislation is necessary because the roles, functions, mandates, scope and powers must be crystal clear in the minds of the public, in the minds of government and in the minds of other affected constituencies.

Sadly, as with so much the government does, its actions in response to the good words of the committee and to the witnesses who appeared before it fall short of what is needed. Bill C–83, as we will see in our study of the legislation, has little to do with sustainable development and is not what is desperately needed in Canada today.

When second reading concludes the legislation will return for clause by clause study to the same standing committee on the environment which drafted the original report. I hope the other members of the committee will challenge Bill C–83 aggressively and defend the interests of the report they wrote. The committee cannot overlook the fact that the Minister of the Environment in drafting Bill C–83 has ignored 11 out of 17 recommendations contained in that committee's extensive report.

At the same time it is important that we do not lose sight of the fact that witness after witness told the committee environmental auditing would not be proactive enough.

Art Hanson, president and chief executive officer of the International Institute for Sustainable Development, said the audit of how well existing policies are implemented does little to inform the need for new policies.

Kenny Blacksmith, deputy grand chief, Grand Council of the Cree, agreed: "It would be preferable to have no commissioner than to have a commissioner whose terms of reference are so restrictive that she or he cannot influence the substance of policy, implementation and content and interpretation of laws on environmental issues".

I quoted yesterday in the House Helen Hughes, New Zealand's commissioner for the environment, who said she would find it very difficult to operate without being able to look at government policy.

As these witnesses confirmed, what is needed is an independent commissioner who can take a forward looking approach to evaluating the effectiveness of the federal government's policies, laws, regulations and programs in moving Canada toward sustainability. Instead of independent policy analysis what we have in Bill C–83 is an auditing function of how well existing policies are being implemented and whether government departments are meeting the objectives of their own sustainable development plans.

For all intents and purposes and with all sincerity this is a role that should be carried out by the departments and the auditor general today. There is nothing new in Bill C–83 that could not be done without it.

Truly effective environmental auditing is something different. Truly effective environmental auditing would look at the policies and objectives which govern the departments and their programs and tell us if those policies and objectives are adequate or desirable.

The function proposed by the minister for this new office through Bill C–83 is a reflective model. It asks the office holder to look at the past and tell us what we have done wrong. The function proposed by my previous work and the function supported by Canadians and the committee as most needed is a proactive one, one that looks at the future and guides us through policy and program design to that future, a future in which Canadians through their efforts and activities can live a sustainable life and ensure our activities on the earth are sustainable.

It is most important that this generation leave the earth a better place for the next generation. This means we have to change many of the ways we are currently doing things. Obviously we can learn from looking at the past and therefore an audit function in and of itself about to be performed by the auditor general's office, if the legislation passes, is important. I am not saying we should scrap the legislation and go back to the status quo, which is obviously even more inadequate. What I am saying is that simply knowing we have done something wrong is not good enough.

• (1155)

More than anything else it is important Canada have a vehicle to help promote sustainability in all that we do. This means knowing how something can be done right and then steering the mechanics of government in that direction. We do not get where we are going simply by looking at where we have been and acknowledging the mistakes we have made along the way. We need a map in hand and the foresight to design our travel route to achieve our stated and understood goals.

Bill C–83 will not help in moving Canada's environmental and sustainability goals forward. It will not give us the tools we need to

evaluate our policies until whatever damage those policies will cause have already been done.

There is a big job in this field to be done. When the environment committee concluded its review of this matter it said the new commissioner's office should have many functions. I will outline a couple of those functions as set out by the environment committee's report.

The commissioner should evaluate all federal policies, laws, regulations, programs and guidelines to determine those which encourage and those which impede Canada's progress toward sustainable development and to make recommendations accordingly.

The commissioner should examine all federal policies, laws, regulations, programs and guidelines to determine the extent to which they comply with Canada's international commitments, including protocols, treaties and conventions in the area of sustainable development. We know how important this function is in relation to the latest round of agreements Canada has signed, particularly those reached in Rio de Janeiro in 1992; agenda 21 comes to mind immediately and Canada's commitments to the international community.

In this regard Bill Andrews, whom I quoted earlier, told the committee: "We have a glaring lack of systematic assessment of the extent to which we are meeting our international commitments".

The committee also recommended the commissioner be given additional tasks to encourage consultation and co–operation between federal and provincial levels of government with respect to sustainable development, to liaise with government, non–governmental organizations and other stakeholders to monitor and report on the evolution of sustainable development concepts, practices and technologies. The committee further recommended to advocate to Canadians the necessity for sustainable development in all of our actions.

These were among the many functions recommended by the environment committee one year ago, recommendations worth defending by every member of the environment committee who debated these issues before the report was written.

In response Bill C–83 guts that report and instead sets out the following function. Section 23(1) of Bill C–83:

> The commissioner shall make any examinations and inquiries that the commissioner considers necessary in order to monitor (a) the extent to which category I departments have met the objectives, and implemented the plans set out in their sustainable development strategies.

What a difference in approach. The committee which studied this field extensively says many important functions are necessary for this office to operate successfully. The Minister of the Environment responds by saying in Bill C–83 it is just enough to monitor how well the departmental staff has succeeded in meeting the targets it has set, targets that have been designed with this in mind.

These sustainable development strategies do not have to be written for another two years. The legislation exempts departmental staff from rewriting them for another three years, if it wishes. Under the terms of Bill C–83 the new auditor will not even have plans to monitor for the first two years of his term of office. None of the matters before government, as I mentioned earlier as set out by the committee, can be looked at during that period of time.

All the plans the departments write during those two years will be recently written plans. This whole thing strikes me as being a bit ridiculous.

Another provision of the legislation requires our attention as well. We should all object in principle to the provision that directs government departments to respond to public petitions on matters of environmental concern. As it stands, if Bill C–83 passes unamended, any public petition to investigate a complaint received by the auditor general's office must be passed on to the relevant government department for review, report and response within four months. This means that any department that wants to justify its actions rather than evaluate them is given carte blanche to do so.

• (1200)

What is needed is an ombudsperson function where members of the public can petition the commissioner to conduct special investigations if they think that environmental policies or laws are being ignored or violated. The minister called for this in the original terms of reference given to the committee. Writing polite responses to serious environmental concerns is simply not good enough.

A further provision in the bill allows the minister to tell a petitioner that it is not possible to reply within four months. My question to all on the government side, and particularly those who have served on the committee, is what happens then. How long can departments take to respond to petitions?

What moves me to speak at length about this is the recent court case involving the government's decision to raise the *Irving Whale* off the coast of Prince Edward Island when the environmental impact assessment had not considered the PCBs which were in the heating system of the barge.

The court upheld the citizens' petition and threw out the government's nice words defending itself. If Canadians and myself as concerned environmentalists want real teeth in our environmental legislation, there must be real independence and enforcement in the monitoring and investigating office charged with protecting all of our long term interests. Bill C–83 provides none of that.

At the same time there is plenty of other evidence, including the collapse of the east coast fishery, to show that we need a truly independent environmental auditor. By not recommending this independent ombudsperson function for the commissioner, the environment committee's report did not go far enough. This missing investigative role is an important aspect of the issue before us today as we review Bill C–83 and before the committee studies the issue for a second time.

In conclusion, in support of my argument that Bill C–83 is inadequate and different legislation must be written to take its place, let me, as I did yesterday in comments and questions, quote briefly from the chair of the environment committee, the hon. member for Davenport who has contributed a great deal to the debate already. I quote from the foreword to the committee's report, written by the chairperson a year ago:

> In the 1993 election campaign, all major political parties committed themselves, once again, to the concept of sustainable development. In particular, the current government made several specific promises designed to further the implementation of environmentally sustainable policies.
>
> As a result of its deliberations, the committee has concluded that the most appropriate way to implement the government's proposed functions is through the creation of a commissioner of sustainable development in conjunction with an expanded role for the office of the auditor general.
>
> The committee believes the creation of a commissioner of the environment and sustainable development is a priority, one which appropriately answers the requests of the government and which will provide the necessary momentum for the shift toward sustainability.

Obviously the member for Davenport thinks as I do, that Canada needs to begin the shift toward sustainability at the first available opportunity, not two years down the road from now as Bill C–83 implies.

The member for Davenport, the chairperson of the committee, acknowledged that his party campaigned on such a platform. He clearly states that at the very least to fulfil those campaign promises, a new office with new functions is required.

If Bill C–83 passes it is clear to me and to Canadians watching that yet another Liberal promise to the people of Canada on the environment has been broken. More important, the needs of the planet and its ability to sustain life have once again been ignored by the government.

At this time when the environment department's budget is being cut by 30 per cent to 40 per cent and the government's commitment to the environment seems to be lapsing, a commissioner working for the auditor general is not necessarily what is needed. This response to Canada's long term sustainability needs does not go far enough.

• (1205)

Yesterday, as I listened to many of the speeches that were made relating to this issue, I questioned certain members of government on this issue. It totally amazed me that as Liberal members of the environment committee stood to speak to this issue not a single one defended the report. Not a single member of the environment committee that met last year on this issue, who worked so hard and listened to so many witnesses testify about the need for an independent proactive commissioner of the environment and who signed that report indicating their support for that position, defended the report in the House.

The environment committee has just finished a major report reviewing the Canadian Environmental Protection Act. Thousands of hours have been committed by members of the environment committee. They produced a report of which I think most members of the House would be most supportive. The recommendations of the committee have been well received in the environmental community across Canada.

I am most concerned these members who will not defend their own report on an environmental auditor will now not defend this important report on CEPA when the government responds to it in five or six weeks. I would hope the members who worked so hard on the Canadian Environmental Protection Act review are prepared to defend the interests of the committee, the witnesses who appeared before the committee and the recommendations contained in that committee report when the government responds.

Mr. Speaker, I thank you for the time today to speak on this important issue. I look forward to the work the committee now has to review the clause by clause study of Bill C–83.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the last speaker talked about the need for independence and authority on the part of an environmental commissioner. I agree.

In follow–up to the comments made by the previous speaker on the Liberal side, trying to twist and make light of the integrity of the auditor general, I find it very curious that he defends the integrity of the auditor general at a time when his party ignores most of what the auditor general recommends.

To put into perspective what I was talking about with regard to watchdogs being lapdogs I would point his attention away from the auditor general and toward the ethics counsellor. It is absolutely useless to appoint someone who is either going to do whatever the government tells him or her or who is going to make recommendations only to have them ignored.

The last speaker has clarified the issue. If we are going to have some kind of commissioner or special watchdog—if we can use

that word—it has to be someone who has both the independence of this body and the authority to see these actions are carried out.

Mr. Taylor: Mr. Speaker, the member was not actually posing a question to me but responding to a matter that occurred earlier this day in the House. I want to comment briefly also on the auditor general who appeared before the environment committee as a witness during our deliberations on this important matter.

It is worth stressing, as the member for Davenport did yesterday, that even the auditor general indicated to the committee that it was beyond the scope of his office to do some of the things the government is now asking his office to do. The auditor general's office is one that functions as an auditor of government programs. The audit can only occur on matters that have already been set out as objectives of the government. If the government's objectives are wrong, the auditor general is not in any position to comment on that. Obviously those rules would apply to any desk or any worker within that office including the new commissioner of the environment.

• (1210)

It is quite possible that the auditor general's response to Bill C–83 will be that he is willing to take on the task before him, but we must bear in mind that some of the mandate which he has been given goes beyond the realm of what his office is capable of doing.

It is important to recognize in reviewing Bill C–83 that the auditor general performs a valuable function, but to ensure sustainability we need to go beyond the office of the auditor general. The Standing Committee on Environment and Sustainable Development last year supported the view that we need something over and above the role which an auditor general can perform. I am surprised that members of the environment committee have not defended their own report.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, it is a pleasure to rise in the House to speak on Bill C–83. It has been over a year since the House of Commons Standing Committee on Environment and Sustainable Development took on the task of examining the government's commitment to establish an environmental equivalent of the auditor general. This was a key commitment of the Liberal red book in the 1993 election campaign and it is a commitment to Canadians. It is an idea which has been discussed and debated for many years and a request of the public.

One message which came through loud and clear from the stakeholders was the message that there is a real need in Canada for leadership in making the shift to sustainable development. For more than a decade we have been exploring the concept, examining the implications and considering the measures it requires. Now is the time to move words into action. That will take bold and decisive leadership. That is the leadership which we are seeing in Bill C–83.

Another message was that, above all, the leadership must come from the federal government. This is the largest business in Canada and what it does has an immense influence throughout our society. That is true not only of federal policies, programs and regulations affecting various sectors, but also of the way in which the Government of Canada operates. The federal government must be held publicly accountable for its progress in making the shift to sustainable development and to sustainable policies. These are not only sustainable policies which are fiscally responsible and economically responsible, but, specifically, environmentally responsible.

At the same time the government must look back and assess whether existing initiatives create barriers to the achievement of sustainable development. The government must consider how to achieve existing policy goals in a way that promotes sustainable development. We must build the cost of the environment into the cost of doing business in Canada today.

I know that in preparing its report the committee paid careful attention to the stakeholders' messages. The office of the auditor general has much clout and that is why in preparing these amendments the bill has put into the Auditor General Act. We are creating a commissioner who is part of and the responsibility of the auditor general's department. It is independent from government. The reason is because the auditor general's department has high respect among the public of Canada. It has solid expertise which can be put to use at once. It has the framework and the structure in place that may be held responsible to the public. For all of these reasons it can greatly enhance the auditing of the government's environmental performance.

In addition, by giving this department specific environmental responsibilities we can ensure that the issues of the environment and issues of sustainable development will be integrated solidly and directly into economic considerations. This kind of integration is what sustainable development is all about. The office of the commissioner will provide leadership. It will put Canada in the forefront in making the shift to sustainable development.

• (1215)

The amendments create a commissioner of the environment and sustainable development. This official will report directly to and work closely with the Auditor General of Canada on matters relating to the environment and sustainable development.

One priority is for the work to carry on. No matter what happens to the position of auditor general there would be continuity. The position of the commissioner of the environment and sustainable development would be ensured. By doing this we are guaranteeing that it becomes a post created for a commissioner who will serve the sustainability of the environment for Canada.

There are other amendments in the bill which do provide for more leadership in making the shift to this sustainable development policy. They require that federal government departments, that is every department of the Government of Canada, prepare and table results oriented sustainable development strategies within two years. That is, they must set goals and spell out the action by which they will achieve those goals.

These strategies will promote the shift to sustainable development policy at the program level and also in other ways the departments operate their buildings and facilities. This is a means of control, a watchdog, over all departments in the Government of Canada.

The departmental strategies will be developed in an open, transparent manner with the involvement of external stakeholders such as the national round table on environment and economy. We will involve the environmentalists, the public sector, the private sector and all citizens of the country so that they have an opportunity to be heard to express their views on what the country should be doing to maintain a sustainable environment, sustainable economic development.

They will also establish benchmarks against which to measure the government's performance. These will enable the commissioner and the auditor general to do their job effectively and independently.

What is more, every three years each department must update its sustainable development strategy and the minister responsible must table this update in the Parliament of Canada. This makes sure that the strategies are continually updated, continually responsible to new technologies and new developments which occur throughout the country.

Public accountability has come up this morning. The amendments provide for enhanced public accountability by the government in making the shift to sustainable development. The commissioner must submit a yearly report to this House on matters relating to the environmental aspects of sustainable development whatever the commissioner considers appropriate. By that amendment I believe he has the freedom to look at any issues in any department of this government and to make assessments to report on those if he deems it appropriate in his opinion.

The report will focus on the environmental performance of all federal departments. In other words, the extent to which the department has implemented its plan of action it will be held accountable and the extent to which the department has achieved its sustainable development objectives it will be held accountable.

Further, the report will present the number, the subject and the status of petitions received by ministers on environmental matters. Let me refer to the bill. In this context the public has the opportunity to present a petition; that is any citizen of this country might present a petition, if he takes the time to get citizens' signatures.

• (1220)

The petition would be received by the commissioner. It would be forwarded to the minister responsible for that specific department. The recipient minister would then be required to acknowledge in the House receipt of that petition within 15 days and to respond to the petition within four months. The four-month period might be extended by the minister if the petitioner and the auditor general were notified that it would be impossible to respond within the four months.

This puts the petition on a time line. It holds the commissioner, the minister and the department responsible to the citizen who has presented the petition. That is accountability on behalf of the government in the introduction of Bill C-83.

The task of appointing the commissioner of the environment and sustainable development will be the responsibility of the auditor general. This arrangement will give the commissioner the needed and utmost independence from the Government of Canada. This again gives him credibility and accountability to carry out his duties responsibly.

The third message of stakeholders was the need to assess new and existing government initiatives for their consistency with sustainable development. The government has already acted in this area. Keeping track of its performance will be the responsibility of the auditor general and the commissioner.

Last November the task force on economic instruments and disincentives to sound environmental practices submitted its report. It contained recommendations to the ministers of finance and environment. These advised on how to review existing policies, to check whether they contained barriers to the promotion of sustainable development. This reviews some of our policies and legislation that might be outdated, that might be antiquated and will inhibit or maybe even prohibit the advancement of sustainable development in a sustainable economy. They also advised on how to prevent the unnecessary creation of barriers in the future.

As promised in the budget, the ministers will respond to the task force within the coming months. Once again this holds the government accountable to sustainable fiscal policy, to sustainable economy and to sustainable environment for the people of Canada.

As I mentioned, in preparing their sustainable development strategies, federal departments must act in an open, honest accountable way. They must involve the citizens of Canada and the stakeholders, the environmentalists.

In their part III estimates which will come out annually departments will again be required to report their progress toward sustainable development. They must provide information on the number, the type and the status of environmental assessments which they are conducting.

There are additional actions that will integrate the environment into decision making. The third component of the government response is a commitment to additional steps we will take to integrate the environment into all decision making in all departments of the government.

I spoke of the task force to identify barriers and disincentives to sound environmental practices. The government followed up on its short term recommendations in the last budget. We are in the process of preparing a formal response to the task force report, including its longer term recommendations. The response will set out how the government plans to move forward on implementing economic instruments and on identifying barriers and disincentives to these practices in the existing government policies. The commissioner will play a very important role in holding this government and all future governments publicly accountable with ongoing efforts in this area.

These measures along with the Canadian Environmental Assessment Act will do much to integrate environmental considerations, environmental evaluations into virtually every federal government decision.

• (1225)

So many things are happening in Atlantic Canada in development, whether they are large pulp mills, lumbering industries, the transport of chemicals and products, that are detrimental to our environment should there be difficulties and accidents. We talked about the *Irving Whale* this morning.

The legislation will be a tremendous asset. Citizens will have the opportunity to bring a petition forward to a commissioner, to a minister of the department to assess, to evaluate, to judge objectively what is economically feasible, what is environmentally sustainable and what will serve the country for the long haul.

The government has taken a strong stand in Parliament on no quick fix solutions, a strong stand that we will be part of long term sustainability. This is part of our policy and philosophy. In each and everything we do, we will build for the next generation.

The Brundtland report "In Our Common Future" uses technical terms describing what is meant by sustainability. I studied that in doing some university work at the masters level. The kind of responsibility we have to a global society today is to act in a responsible way particularly here as legislators over and above the citizen's responsibility.

We are caretakers of this environment, of this earth only for a short time. We have a grave responsibility during that period to act responsibly. We should take only from the environment and the economy what we need to meet our needs today so that we do not build our economy on greed but on need. In that way we leave something for those in the next generation so that they too might take a living from the environment, from all the wonderful great natural resources we have been so fortunate to have had bestowed on this great Canada.

The amendments to this auditor general act are part of the broader effort I have just described. They are a fundamental and crucial part of what the philosophy of the Government of Canada is today. It will radically change the way in which the federal government does its business, in which the federal departments do their business.

This will be a major step forward, making sustainable development a reality to this country. It will be a major step forward in the eyes of the world. Canada will be viewed as a progressive nation that is caring, looking to the economy and to the environment and that one must be integrated into the other.

[*Translation*]

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I am pleased to have the opportunity to rise in support of the bill now before the House.

Mr. Speaker, the bill to amend the Auditor General Act provides for the appointment of a Commissioner of the Environment and Sustainable Development, who will report to the auditor general and provide him with an overview of all federal government activities and operations related to the environment and to sustainable development.

Bill C–83 also requires all federal government departments to develop sustainable development strategies to be laid before the House of Commons.

• (1230)

[*English*]

The bill has particular relevance in light of a report that was released this past week by the World Bank regarding the wealth of nations. By this report, Canada is the second richest country in the world. This is not what we are used to hearing about our economy. We are used to being ranked well down in the teens by the old way of looking at the wealth of a nation based on income, investment,

and those things that can be measured in dollars moving about in the economy.

The ranking that was done by the World Bank last week was formulated using a system of measurement that derives wealth from the value of a country's natural resources as one of the components. Based on this measure, the majority of Canada's wealth lies in its natural resources. Therefore, our capacity to develop a healthy economy not only for our future but for future generations lies in how we use those resources. It lies in using those resources in a sustainable way.

The system used by the World Bank in this new methodology challenges conventional thinking by looking beyond the normal measures of wealth that have been used until now. It starts moving the assessment of the worth of nations to a process and a standard based on sustainability in the long term.

That is why the measures we take to husband our natural resources, to use them in a way that ensures that future generations also have resources on which to build their prosperity, are not only matters of economic well–being. They are matters of survival. Perhaps that gives this bill new relevance. We can begin to see it not only in the context of how much we have in land and the quality of that land, what we have in forests, what we have in subsoil resources and the quality of our water, but we can begin to see it in the context of the whole quality of life.

We had one horrendous reminder this year that if we do not husband those resources, if we do not regard those gifts the world has to give as something that has to sustain our country and the world for future generations, then we face tragedy. We have had the virtual elimination of the cod stock, which has been a source of income and an important part of our country and other countries around the world for generations. That source has now been virtually lost. We would be only guessing if we tried to estimate whether that resource will ever be restored.

The World Bank is starting to recognize that the wealth of nations has to be looked at in a different way, that the value of the resources we have and how we use them is an important component of our present and future prosperity and that depleting those resources in fact depletes our wealth.

I would like to give another example to make the point quite concretely about what was wrong with the old system and how we have to start changing how we look at things.

Under the old system the *Exxon Valdez* oil spill was a tremendous benefit to the economy. It put up our GDP quite significantly because it generated millions of dollars in lawyers' fees and millions of dollars in clean–up costs. It was good for the economy under the old system. I do not think any one of us wants to stand in the House to say that the spilling of oil into our oceans is a positive benefit for our country.

• (1235)

Let me now turn to this particular bill and how it is consistent with this concept of sustainable development. It requires government to look at every policy, program, spending decision, activity and operation of government to determine its impact on the environment. It requires every minister to look at every aspect of that minister's department and table a strategy to ensure that the operations, programs, and policies of the department are consistent with sustaining the environment of the world in which we depend not only for economic prosperity but for our very survival.

It requires the government to establish an environmental commissioner who will oversee the environmental impact and the impact on sustainable development not only of new policies, new legislation and new programs, but of all existing policies, legislation and programs.

The legislation sets up a new public accountability for the government. One thing that has been learned by the nations of the world over the years is that it is public oversight of our responsibility that determines how responsibly we act. One of the key messages coming out of the earth summit in Rio a couple of years ago was that transparency, public oversight, and accountability of governments is vital to achieving the plan of action that all nations agreed to at that very important world conference.

The World Bank report made it clear that Canada, as one of the wealthiest countries in the world, based largely on its tremendously wonderful supply of natural resources, also has the most to lose if it does not act in a sustainable way. If we do not set up a society in which government, in our partnership with the private sector, informs and motivates individual Canadians to do their part as well to sustain the environment, then all of us lose. The country will lose. To the extent that any country in the world fails to exercise its responsibilities for sustainable development, the world itself and future generations lose.

[*Translation*]

Before closing this morning, I must say that I have a little trouble understanding the Bloc's position on this bill. Personally, I remember very clearly the time when the current leader of the Bloc Quebecois was minister of the Environment in this House and a member of the government. I remember very clearly his commitment to the environment and his belief in the government's responsibility to take action in order to protect the environment.

I also remember that the Bloc tabled in this House a minority report proposing exactly what is being proposed in this bill, namely that the government create the position of Commissioner of the Environment and Sustainable Development as part of the Office of the Auditor General, instead of creating a new, separate office.

• (1240)

[*English*]

I find it difficult to understand today why the Bloc is opposing legislation which does exactly what it has proposed to the House of Commons and to the government.

[*Translation*]

I see this as a step back from their previous position and that of their leader, who is now Leader of the Official Opposition, as regards environmental protection, sustainable development and the government's responsibility to show leadership in these areas.

[*English*]

Canada has a right to be proud of the leadership role it has played globally on many of these important environmental issues, particularly in the area of global climate change.

It is easy to think of this as an administrative bill that relates to the Government of Canada and to how it conducts its business and to how ministries are administered on a day to day basis. I believe its impact is far greater than that. It demonstrates leadership on the part of government, just as Canada has traditionally played a leadership role in these very important issues for some time now. It demonstrates the kind of leadership that was there when the previous Parliament implemented the program of greening the Hill, believing that we as the Parliament of Canada first and foremost had to demonstrate we were taking our responsibilities both personally and seriously.

However, the bill does more than that. It addresses some of the key issues facing the world today. Those issues were again very much front and centre at the United Nations conference held in Beijing, which ended just last week. The concerns of women in developing countries about things we take for granted, like basic health needs, basic protection and a safe environment for them and their children, were very much at the forefront of the agenda.

We still face the situation in which 14 million children around the globe die every year of diarrhoea. That is 40,000 children a day simply for lack of access to clean water. That is the importance of measures we take as a nation and measures we take as an important actor in the global community to ensure that preserving the wealth of this world, which we hold in trust for the next generation, is a priority for us as a Parliament, for us as individual parliamentarians and for our government.

[*Translation*]

Mr. Speaker, it is therefore a privilege to witness this bill being tabled in this House and to have the opportunity to support it.

[*English*]

I urge all members of the House to support the legislation, to let us get on with the important work of making sure that everything the government does is consistent with the preservation of the environment as part of our global responsibility.

• (1245)

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I think that my hon. colleague from Ottawa West, who just spoke on Bill C–83, did not have all the facts, when she was wondering what the position of the official opposition, that is to say the Bloc Quebecois, was regarding the establishment of a position of Commissioner of the Environment and Sustainable Development. I would like to remind her that, yesterday, around 1:50 p.m., I rose in the House of Commons to say, and I will quote this slowly to make sure she hears me very clearly: "The official opposition does not intend, at least for the time being, to challenge the mandate that the minister wants to give to the commissioner of the environment. However, we deplore the fact that, ultimately, the commissioner will merely have the power to make suggestions".

If she had listened to me as carefully as I listened to her a moment ago, she would have found out that the Bloc Quebecois does not intend to oppose the establishment of a position of Commissioner of the Environment and Sustainable Development. On the contrary, we want the commissioner to have power to do more than just make recommendations like the auditor general at present.

After the Christmas holidays, the auditor general will once again present his annual report. We, the official opposition, will have a field day as the terrible things this government has done are revealed to Canadian taxpayers. There will be much talk about it the first week, hardly any the second week and, by the third week, it will be all but forgotten.

My hon. colleague from Ottawa West mentioned future generations. I would like to remind her that, as we speak, between the Magdalen Islands and Prince Edward Island, we have a barge that has been sitting in the bottom of the Gulf of St. Lawrence for over 25 years, as of last week. This barge contains bunker C oil and, as we learned at the end of June, large amounts of fuel contaminated with PCBs. In 1970, and for the next 14 years until 1984, the Liberals were in power in Ottawa. Within three weeks, your government will be celebrating its second year in office. Yet nothing has been done.

Your government is all talk and no action. It is all fine and well to talk about future generations and say that every Canadian is a billionaire. Those are fine words, but idle talk nonetheless. If my colleague wants to get richer, I suggest that she buy shares from

Quebecers or Canadians who may be prepared to sell their shares to her for a very reasonable price.

To conclude, I wish my colleague from Ottawa West would urge the Minister of the Environment to ensure that the Commissioner of the Environment and Sustainable Development has not only the power to make recommendations but also effective power to force the government and its departments to respect the environment and sustainable development, favourite topics of certain government members these days.

I remember the St. Lawrence action plan, phase 1, phase 2, designed to depollute the river. Just last week, there was a report where they were catching fish to analyze their flesh. It is worse. Really.

Mr. Lincoln: On a point of order, Mr. Speaker. My colleague should be given an opportunity to respond and there is very little time left to do so. The hon. member has embarked on a windy discourse that will leave no time to my hon. colleague to respond to his tale of woes.

The Deputy Speaker: The Chair always gives the hon. member who asks a question and the one answering it equal time.

• (1250)

Mr. Chrétien (Frontenac): Mr. Speaker, as you know, it is a tactic of the member for Lachine—Lac–Saint–Louis to try to distract the opposition. These days, it seems as though the government wants to gag the official opposition. It is afraid to hear what our fellow citizens are telling us in our ridings.

I was talking about the St. Lawrence action plan to clean the St. Lawrence River. Listen to this: out of a budget of $19.2 million, this government took $6 million to commission studies on the cleaning up of the river. However, these studies were conducted in Miramichi, New Brunswick, several thousand kilometres from the St. Lawrence River. Where is the logic in that decision?

I would like to hear the member for Ottawa West tell us about the effect that this will have, other than to suggest the appointment of a commissioner of the environment.

Mrs. Catterall: Mr. Speaker, first I want to remind the member opposite that, when the Bloc leader was Minister of the Environment, it was his responsibility to take action regarding the *Irving Whale*, but he did not do anything.

Personally, I asked specific questions in this House, but the government at the time, with the Bloc leader as its environment minister, did not do anything about the *Irving Whale*. The current environment minister was the first to have the courage to make decisions regarding the *Irving Whale* and take action to have it refloated.

We know, and so does the hon. member, that the operation must be conducted with great caution because it involves risks and danger.

I also have an answer regarding the auditor general's responsibilities. It may be that the Bloc would like a government structure whereby the only way to make things move would be for people to rely on the courts to enforce actions. We prefer a system where the departments, which are accountable to this House, to the Prime Minister and to the people of Canada, have a duty to do what they can and what they should to ensure that their initiatives comply with the principles of sustainable development and environmental protection.

• (1255)

If the Bloc thinks that the commissioner of the environment will have no power, then it does not believe in the power of the public. The commissioner will be required to inform this House and the public, and he will be accountable to members of Parliament, to the government, to the departments and to the ministers. This is the strength of a democracy that works.

[*English*]

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is a great pleasure for me to talk about Bill C–83. This is a very important bill. I want to talk about this on behalf of my constituents in Vancouver South. To them this is a very important issue.

The environment is an issue which I have learned a lot about recently. I have probably learned more about the environment from my children. I have three young children who have made my wife and I learn more about the environment than we knew before. It is very important because our young people often lead in a lot of ways and we do not pay the attention we should to them. We can learn from our younger generations, as I have learned more about the environment.

I was interested to talk about the environment because as we have learned in history economic prosperity is closely linked to our respect for the environment. There are lots of examples in history of how when civilizations do not respect the environment they can destroy themselves. There are many examples in history of how societies deforest areas around them and sometimes continue to do that because of their need for fuel only to be left with erosion and then have problems in agriculture and in growing their food. Lo and behold they have taken a resource that was valuable to their society and destroyed it.

The legislation is in the red book. The Liberal government said the national environmental and economic agendas can no longer be separated, which means our future economic prosperity is very important. We want to preserve that economic prosperity. We want to grow and respect the environment.

That is why this is very important from the point of view that government action will be determined by a commissioner and the environmental factor will be considered when government decisions are being made. Bill C–83 demonstrates to Canadians the Liberal government is serious about the environment and sustainable development.

We often use the term sustainable development. It is a term used very wisely and widely. We should define sustainable development. For members in the House and for those watching, to me sustainable development is that our actions do not take away from future generations their standard of living or their quality of life. We in this generation must ensure our actions do not take away from future generations.

In a lot of ways we have already failed in that. We have taken away from future generations that which we have had. For example, we often hear the warning that children should not play outside during certain hours because of depletion of the ozone layer and the effect this can have on our children. I can remember as a child there was no such warning. We did not have to heed these warnings but our children do. We have already taken away from future generations in that by having a higher standard of living now future generations will be deprived of things like being able to play outside during the day at any time.

• (1300)

We have a long way to go but this is a start and sustainable development is all about ensuring we are not taking anything away from generations to come and we want to give them more. We want to make sure future generations have more than what we have today. I hope we can have that philosophy of giving them more. We are only the trustees of the resources we have to pass on to our children at the minimum in the same condition and hopefully in a better condition than how we received them.

I had an interesting experience when someone who often lectured about the environment put a time line on the board, a long line from the start of plant and animal life and stretched on to the time of mankind on earth. On this huge line there was a very tiny spot during which mankind has been on the.

Other animals have lived as long as 400 million years, but mankind between 1 million and 3 million years. If we collectively destroy our environment and destroy future generations, in respect of that time line we will barely be a footnote in the history of animal life on earth. That really opened my eyes to say we have been on the earth for such a short time and we have done so much damage already and we have lots of work to make sure we continue on that time line for a long time to come. We can only do it if we respect our environment.

Bill C–83 ensures federal government policies and operations are closely looked at in terms of the environment, as well as what effects it has on the economy. Canadians look to the federal government for leadership on sustainable development. By getting its house in order, by showing leadership the federal government can promote the shift to sustainable development throughout Canadian society. This is what Bill C–83 is all about.

The government's response to the committee's report focused on integrating the environment into federal decision making. The government has already followed up with a number of initiatives. To name a few, proclamation of the Canadian Environmental Assessment Act, actions to green government operations, the task force on economic instruments and disincentives to sound environmental practices and the initial follow up to the task force in the last federal budget.

Bill C–83 explicitly incorporates the environment and sustainable development in the Auditor General Act. This is very important because we do not want a commissioner without clout. We want a commissioner with clout and that is why I commend the Minister of the Environment who has brought this in under the Auditor General Act. It will give the auditor general the clear legal mandate to include environmental effects alongside the conventional considerations of the economy, effectiveness and efficiency among the considerations he uses to determine the observations he will bring to the attention of the House of Commons.

• (1305)

As I said earlier, Bill C–83 will also provide federal government leadership in making the shift to sustainable development. The amendments will proactively promote sustainable development across all federal departments by requiring ministers to table in the House sustainable development strategies that include their departments' objectives and plans of action to further sustainable development. Departments will be required to update these strategies every three years and ministers to table the updates in the House.

Bill C–83 will also authorize the auditor general to forward petitions from the public on environmental matters to the responsible ministers. The ministers will be required to respond within a specified time frame.

These amendments are significant in and of themselves. However the bill goes much further. Bill C–83 also creates a truly independent commissioner of the environment and sustainable development. The commissioner will be within the office of the auditor general. He or she will be appointed by the auditor general and will report directly to him as his right hand person in all his environmental and sustainable development related duties.

The committee had recommended a stand alone commissioner. However, the commissioner can operate effectively and efficiently in the office of the auditor general because the office of the auditor general is well respected. It has clout and it has solid existing expertise which can start implementing the amendments right away.

Moreover, it means environmental and sustainable development issues will be integrated with the economic considerations in that office just as they should be in a sustainable development world.

The commissioner will also assist the auditor general in addressing the environmental and sustainable development aspects of his general auditing work. The commissioner will monitor and report annually to the House on the government's progress toward sustainable development. The commissioner will review departments' sustainable development strategies and monitor the implementation of the action plan and the achievements of the objectives. The commissioner will be required by Bill C–83 to report annually to the House on anything related to environmental aspects of sustainable development he or she considers merits attention, including the extent to which action plans have been implemented and objectives met and on the number, subject matter and status of petitions received by ministers.

These amendments are historic and unprecedented. They have far reaching implications for the way the federal government does its business. They ensure that no matter who the auditor general happens to be, environment and sustainable development will have a high profile in the workforce. They will provide leadership on sustainable development by proactively promoting and operationalizing sustainable development within federal departments and across major economic sectors of our country. They will hold the government fully accountable to the public for its leadership and progress in making the shift to sustainable development.

As I look back over the past year or so I am gratified that the government has taken a red book commitment and engaged Parliament and Canadians in fulfilling it and in going beyond.

However, this is only the beginning of the road to making sustainable development a practical reality. Because of the bill, in the months and years ahead departments will be engaging stakeholders in the development and implementation of sustainable development strategies.

I know some members on the other side have said we should have gone further and that we did not go far enough. This is a very important start because it recognizes how important the environment is. It recognizes how important the environment is to future generations. It recognizes the importance of the environment to our future economic prosperity. It is no use enjoying tremendous economic prosperity now only to have it taken away from future generations.

• (1310)

We must ensure we protect for generations to come that we have a liveable environment, an environment with clean water, clean air, and that our decisions as a government fully take into consideration a development that is sustainable, a development that maintains a quality of life for future generations, a development that does not put hardship on any sector of society.

We have seen in some developing countries where when they do not respect the environment, when there is no clean water available, for example, sometimes the poor, the women have to pay a very heavy price when they have to go two miles to get it. Children die because they do not have clean water.

We have come a long way and I am sure my colleagues and the Minister of the Environment will continue to work on this. It is very important to me and to my constituency. In the west this is a very important issue and I am very thankful I had the opportunity to speak on behalf of my constituents of Vancouver South.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am pleased to comment on some of the statements made by the hon. member for Vancouver South.

I think all Canadians recognize the importance of paying close attention to what is happening with our environment, and certainly sustainability in our environment is a most important factor.

The member mentioned that Bill C–83 contains some amendments unprecedented in Parliament in dealing with the environment. We have had the auditor general's department operating as an exclusive body making a critique of the government, scrutinizing the operations for many years now.

We have seen report after report from the auditor general being critical of the different government departments and making recommendations only to have those reports go somewhere on a shelf and collect dust.

It is one thing to appoint a commission, a body or an individual to be independent, to look at how the government runs its business. It is one thing for the reports to be made, for the recommendations to be made, for the observations to be made clear, for that outside body to call for accountability. Another thing is for the government to act on those recommendations. We have not seen a very glowing record of governments acting on recommendations and criticism by the auditor general's department. We have not seen it in many years. Certainly the government has not done anything to stop that record of ignoring the auditor general's report.

As Bill C–83 contains some amendments unprecedented in Parliament in the field of environmental sustainability, I suggest the government begin to take some unprecedented steps in not only acknowledging the reports of the auditor general and not only receiving them but actually acting on them. It would be a

most unprecedented step if the government would start to act on some of the recommendations of the auditor general's department.

I will leave the hon. member with that thought. I am sure he will want to give me his assurances that whatever criticism and recommendations come from the new position will be acted on by the government.

• (1315)

Mr. Dhaliwal: Mr. Speaker, I thank the hon. member for his statement and his question.

I assure him that as a government we would not be setting up such a commissioner without taking full responsibility and ensuring that the reports that are issued are taken very seriously and that the government respond to those reports.

There have been many occasions in the House when the auditor general has brought forward concerns. On many occasions I have seen the minister or the appropriate department respond very quickly and assure the auditor general that they take those matters very seriously. I have seen members on the opposite side stand and quote the auditor general. Obviously they also take it very seriously. I know all members take the issues very seriously and bring them forward.

There are a lot of examples that have shown that governments do respond, take action, and investigate to assure that anything the auditor general puts out, where it is possible and where it is felt to be advantageous, is responded to and dealt with in an effective manner. I can assure the member that this will be continued by the government whenever those reports are issued.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the member went on for a considerable time talking about clean water and the necessity of being aware how important it is. That almost goes without saying, but it does not hurt to repeat it. I wonder if the member is aware of the swim for the Fraser River effort by Finn Donnelly from British Columbia, who is currently swimming the entire length of the Fraser River in an effort to raise environmental awareness about the necessity for cleaning up what is really the major water artery in British Columbia.

When he talks about sustainable development, on which coast of British Columbia does he think the Department of Fisheries and Oceans has done the best job on sustainable development in the area of fisheries, the east coast or the west coast?

Mr. Dhaliwal: Mr. Speaker, as the hon. member for Fraser Valley East said, clean water is a very important asset. As we saw recently in the World Bank report, clean water is going to be a very important resource for the world.

I also acknowledge the gentleman who is swimming the Fraser River to raise awareness of having clean water. An important thing to remember is when a resource like water is polluted it is expensive to restore the resource and bring it back. It is much easier to prevent pollution from happening in the first place.

As parliamentary secretary it has been a great experience to learn about sustainability and how all resources are so interdependent. Our ecosystem is so sensitive to change, and we do not understand a lot of it. We do not understand what water temperature does to fish. We do not understand the interdependence of our whole ecosystem. We have a lot to learn. We have to do a better job for our future generations.

I will do everything I can to ensure that we have sustainable development and do not take away from future generations. To the best of my ability I will try to achieve that.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

• (1320)

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: At the request of the deputy whip for the government the matter stands deferred until 5.30 p.m.

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MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from June 19 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, if the federal government is given the opportunity to protect jobs, save the environment, protect consumers, and keep Canada on the leading edge of automotive technology, should we take it? You bet. You bet that we will seize a chance to support technology that helps us improve fuel economy and meet our climate change objectives. You bet that we are going to do everything we can to reduce air pollution and smog. That is why we have taken action to remove MMT from Canadian unleaded gasoline, and that is why I am

happy to stand today in support of Bill C–94, the manganese based fuel additives act.

[*Translation*]

This bill will prohibit the importation of and interprovincial trade in MMT, a manganese–based fuel additive manufactured in the United States. The proposed bill will come into force sixty days after the day on which it is assented to. At the present time Canada is the only country in the world still using MMT in unleaded gasoline. Even in Bulgaria, studies have even been carried out, and it was decided not to use it. The USA banned it in 1968 from their unleaded gasoline. Bulgaria and Argentina are the only other countries showing any interest whatsoever in its use and, as I said, Bulgaria finally decided against it.

Why is MMT not used by more countries? Because it adversely affects the operation of the pollution control equipment in today's cars and trucks.

[*English*]

My department has received and reviewed study after study of the effects of MMT on this equipment. I have seen the studies myself: studies from Ford, Chrysler, General Motors, Toyota, Honda, Subaru, Nissan, Mazda, Mercedes, BMW, Volkswagen, Volvo, Saab, Lada, Jaguar, Land Rover and Hyundai. They are separate studies, which all say the same thing: MMT adversely affects onboard diagnostic systems where pollution control equipment is found. These systems are extremely important for the environment.

One only has to travel in the lower mainland of British Columbia to know how we need strong legislation on vehicle emissions. MMT is preventing the kinds of clean emissions governments across this land are seeking.

These systems of onboard diagnostics are crucial for environmental gains. They are responsible for monitoring a vehicle's emission controls and for letting a driver know when an anti–pollution system is not working. They make sure that the cleaner burning engines coming off the production lines today operate as they are designed. They make sure that automobiles are properly maintained, resulting in decreased tail pipe emissions and improved fuel economy.

One only has to drive a new car off the lot to know that the models of this year and next year and the year after are substantially improved in terms of their emission levels, fuel economy, and anti–pollution devices. Those cars should be given a chance to work, not only in the best interests of their drivers, but particularly in the best interests of the lack of air pollution in our cities.

• (1325)

This is critical technology. It is technology that has to be given the chance to do its job. With the legislation we are making sure that modern anti–pollution technology can be put to work in Canadian cities, cities that were reeling last summer under the burden of smog caused by too many cars clogging the arteries of our nation's communities.

[*Translation*]

This government would not allow MMT to stop the Canadian automobile industry from designing far less polluting vehicles. Canada's environment and Canada's consumers are entitled to the best pollution control equipment possible.

The federal government had been waiting since 1985 for the automobile and petroleum industries to get together on a solution to this problem, which the government had already identified ten years ago. I made a personal appeal to the two industries to pool their efforts towards finding a solution. I even proposed to the MMT manufacturers that they give consumers the choice, that there be at least one pump without MMT, and they absolutely refused. They are not interested in what consumers want. They are not interested in anti–pollution matters. They are interested only in a polluting product imported from the United States, which is not even used there, because its use has been prohibited since 1978. But we have to allow it here. How can that be?

[*English*]

I want to repeat that, because I think it is important to this debate that the House understand we have waited 10 years for the importers of this product to get together with the automobile manufacturers to find a common solution. We are not interested in legislating solutions to all consumers' problems.

I offered in personal meetings with the importers of the particular product to have a solution where at least one gasoline pump per gas station was free of MMT. Give the consumer the choice. They refused. They categorically refused, even though there has been study after study after study. I believe at last count there 17 automobile companies either manufacturing or selling in Canada that have asked for gasoline free of MMT. Somehow there is this tremendous conspiracy inflicted on them by consumers.

How do Canadian consumers feel about the fact that sparkplugs in Canada fail at a rate 17 times greater than in the United States? Why do Toyota manuals right now advise against using MMT gasoline? The new manuals will have disclaimers in them that if you use MMT in your gasoline they may not be able to guarantee your warranty. Why have automobile manufacturers in Canada suggested that if we cannot move on MMT they may be forced to

add up to $3,000 to the cost of a new car in Canada, the same car they sell in the United States? The variable is MMT.

For some reason, despite direct offers by the Government of Canada for the importers of this product to find a replacement or a consumer alternative, they refuse again and again. Ten years of waiting for a solution is long enough. With the new requirements of automobile emissions pending, we have to move quickly. As we speak there are cars rolling off the assembly line dedicated to the 1996 market that do not have an onboard diagnostic system attached because at the moment the companies cannot be guaranteed it will work as long as we have MMT in the gasoline.

[*Translation*]

Even then, I waited, I gave the companies a deadline of last December to resolve the problem. They could not do it. I waited until February, but for some reason, the companies importing ethyl could find no other way but to force it on all fuel levels.

• (1330)

Once again, we waited. Well, the ten–year wait has gone on long enough. It is time now for the government to act on consumers' behalf, in support of anti–pollution technology and above all in support of the environment.

[*English*]

Without action our vehicle emission reduction programs will be put in jeopardy. We risk missing out on major reductions in smog, carbon monoxide and hydrocarbons.

If we do not act now, Canadian consumers will be prevented from taking advantage of state of the art emission technology because they do not have access to MMT free gasoline. If we do not act now we will face the situation where automakers will turn off the diagnostic systems for the 1996 models because of the damage caused by MMT.

Right now General Motors is bringing cars off the assembly lines with on board diagnostic functions disconnected from the system. It is no longer prepared to assume the increased warranty risks for damage caused to pollution control equipment by MMT.

In the end it is the Canadian consumer, the Canadian taxpayer, the Canadian who drives a car who has to pay more. The maintenance of our cars is costing more because of the presence of MMT. We will not let this happen. We will not allow leading edge Canadian technology to be put at risk.

This substance is not manufactured in Canada but imported from the United States where it has been banned for almost 20 years. The Americans can make it there but they cannot use it there so they use it in Canada, the last bastion of MMT. We will not allow the buck to be passed to Canadian consumers.

Some hon. members: Hear, hear.

Ms. Copps: We will not allow anti–pollution equipment in Canada to be less effective than anti–pollution equipment in the United States. We will not allow the competitiveness of our automobile industry to be threatened. We will not allow investment and the thousands of Canadian jobs which depend on that investment to be put in jeopardy.

[*Translation*]

Properly resolving the MMT question will have positive effects on the environment through the use of the most sophisticated emission control techniques. Moreover, Canadians will enjoy the same guarantee as American automobile owners. Resolving the MMT problem will guarantee that Canadian automobile emission control programs are in line with American programs. This means that Canadians will continue to enjoy the economic and technical benefits of having a standardized North American automobile population.

It also means that the Canadian automobile sector, whether in Quebec or Ontario, will remain competitive.

[*English*]

Let us be clear. The job of reducing motor vehicle pollution can no longer be addressed just by an industry, whether it be the automobile industry, the petroleum industry or the government. Progress at reducing vehicle pollution demands action by every single Canadian.

The petroleum industry needs to move forward in making improvements in the composition and properties of the fuels burned by those engines. The auto industry needs to make improvements in vehicle emission control technologies such as those offered through on board diagnostic systems.

[*Translation*]

As for the government, it must act to reduce pollution from vehicles. This is the sort of action we have begun with Bill C–94, the sort of action we take when we establish a global automobile emission control strategy, which includes more rigorous standards on vehicle exhaust systems.

In meeting these standards, we are counting on sophisticated emission control techniques and the fuels they require. We need new technology. We must reduce smog and carbon monoxide and hydrocarbon emissions. We have to reduce this type of emission, which have a significant negative effect on the quality of the air and on the greenhouse effect on the climate. This government takes its responsibilities seriously in the area of climatic change.

• (1335)

[*English*]

Temperatures increase when carbon emissions increase. Carbon dioxide has reached concentrations that are 25 per cent higher than at any time in the 220,000 years of atmospheric history. The average global temperature today is four to six degrees higher than during the last ice age.

The member of the legislature from Prince Edward Island in the gallery today will no doubt be aware of the profound impact of what the failure to address climate change will have on our coastal regions, including the lower mainland of British Columbia and Prince Edward Island. If we fail to take action average global temperatures will rise another 1.5 to 4.5 degrees within the next 50 years.

In other words, our children could confront the kind of global warming which triggered the end of the ice age. They could face the kind of global warming that causes sea levels to rise, that dries forests, that desertifies farmland, that wipes out communities and in some cases that wipes out entire countries.

Climate change is not like other environmental problems. Action after the fact is not an option. If we wait for the problem to overwhelm us, if we ignore the scientific evidence that is coming in harder, faster and stronger than ever before, it will be too late. With climate change preventive action is the key. Preventive action means producing goods more cleanly. It means having access to cleaner automobiles. It means using less energy through the likes of onboard diagnostic systems which can warn us when the systems are malfuctioning and when in fact our conversion is not as efficient as it should be. It means using less energy. It means conserving our natural resources and developing and implementing the latest in green technologies like the emission reduction technologies in today's cars and trucks.

The bill before the House is one small measure in the battle for a better environment. The bill is pro–environment. It is pro–consumer and it is pro–jobs. Eighteen of Canada's automobile companies think we are doing the right thing. Canadians think we are doing the right thing.

MMT can no longer stand in the way of progress that we continue to make on reducing vehicle emissions in the face of the continuing need for environmental protection.

Let us protect Canadian jobs. Let us protect Canadian investment in high technology. Let us protect the pocketbooks of Canadian consumers. Let us above all protect the air we breathe. Let us make Canada the last country in the world to finally to put an end to the use of MMT in unleaded gasoline.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I applaud the Deputy Prime Minister's commitment to the environment and what she professes to say. I would like to point out a few facts which she omitted from her speech.

If we were to withdraw MMT from gasoline the nitrous oxide content of the environment would increase by 20 per cent which is a very important additive to smog, a causative agent for smog.

The Deputy Prime Minister brings forward a whole host of studies. Every one of those studies was done by an auto manufacturer. The EPA just came out with studies which show that MMT does not do anything to damage onboard devices.

I ask the Deputy Prime Minister how she can account for removing MMT from gasoline if the nitrous oxide content coming from cars is going to increase by 20 per cent. Also, will she commit to having an independent party review MMT to determine once and for all if it damages onboard computers and also if it will harm people?

• (1340)

Ms. Copps: Mr. Speaker, in the preamble to his question the member implies that somehow these 18 automobile companies have an interest in destroying the market for MMT. The only studies I have seen in support of MMT are coming out very thick and fast from the company that imports the product, the same company that I am sure supplied the figures to the member that talks about the level of environmental contribution made by MMT.

If he wants to put it in context, the abolition of MMT will create a situation where air emissions can improve by up to 600 per cent specifically because it will permit the onboard diagnostic systems of new cars to work. The presence of MMT will not help the environment. The presence of MMT will hurt the environment.

Companies such as Toyota, Ford, GM and Saab are in competition with each other for a market. They are not in collusion. For some bizarre reason 18 automobile companies both domestically producing and importing cars have all done independent studies which have identified a single variable between the Canadian and the U.S. gasoline which contributes to the failure rate of onboard diagnostic systems. That single variable is MMT. Those same companies have provided the department with studies that show the failure rate for Canadian spark plugs is 17 times higher than in the United States.

Should a consumer in the lower mainland of British Columbia have to change his spark plugs 17 times? If we buy the rather weak argument of the Ethyl Corporation that this is such a fantastically great product, why would the Ethyl Corporation not accede to the demand of the government that it offer the consumers a choice? Why would the CPPI producers not arrive at a gas station and let people have the choice? If this is such a fantastic product why not let the consumers decide? Why did the company refuse my offer made to them in person to have only one pump in gas stations across the country which would be MMT free? If this is such a

great product why is Canada the only country in the world that currently authorizes its use?

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I appreciate some of the remarks the hon. Deputy Prime Minister has made. I wonder if the Deputy Prime Minister would be willing to table some of the studies she has quoted from today, referenced and held physically in the presence of this assembly for our use and examination.

Ms. Copps: Mr. Speaker, those studies were shared. As the hon. member will know, when companies test their automobiles it is a very confidential matter. As I gave my word, the companies in question actually met with CPPI in a private meeting organized through my department where they could individually review all of those studies.

Unfortunately CPPI broke the agreement of secrecy and those studies ended up being passed to other individuals. It was a breach of the confidentiality that every automobile company expects to have in terms of its own testing of vehicles.

I can provide him with analyses of the material that went before the CPPI. I can provide him with some general views from the industry. I cannot provide the individual studies because when they were provided to CPPI through an agreement with my office they subsequently found their way into the public domain.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I thank the Minister of the Environment for her efforts today.

I believe the bill in front of us does receive the support of the majority of members of the House of Commons. I congratulate the minister for bringing it forward. At the same time, as she knows, a lot of what she says about the environment and fuel, about the need to be proactive and moving ahead into the future, can also be done through the support of ethanol based fuel additives.

• (1345)

Many in western Canada are engaged in ethanol development projects as a way of not only assisting the environment but also of assisting in regions which require assistance with economic development. I am wondering if in the course of her remarks today the minister might indicate her support and commitment for ethanol based fuel additives and what she can do for western Canadians.

Ms. Copps: Mr. Speaker, when we introduced legislation which will require 75 per cent of all new federal government vehicles to be run on alternative fuels it was in part to try to accelerate the market. The federal government currently has an annual fleet of about 25,000 cars. If we factor in the number of cars in crown corporations there are 39,000 cars that are on the road as a result of federal government activities. We are mandating that 75 per cent of those cars be fuelled by alternative fuels within the next five years.

We think that will provide the kind of niche market which will hopefully be a catalyst for further development in the area of alternative fuels by the private sector. We have not in a sense mandated a particular kind of fuel, but certainly ethanol is an alternative and particularly is one which can be mixed into current vehicle emissions. It is a very positive alternative.

We have tried to build market demand for consumer moves to alternative fuels in a very large way which will help a rather fledgling industry. As the hon. member will know, ethanol can currently be mixed at a 10 per cent ratio. Any further conversions will be good for renewable resources and an alternative for the current growth in global warming.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I am delighted to be able to debate this issue, particularly after having had the summer months to do research and become more familiar with this topic.

I was quite flabbergasted when I heard the Minister of the Environment in her impassioned speech. I could not help but think that the passion was little more than the political puppet dancing when the strings are pulled by the masters of the power brokers in the country.

It is my understanding that the bill has come before the House today because the Motor Vehicle Manufacturers Association claimed that MMT was setting off the warning lights on onboard diagnostic systems when nothing was really wrong with the systems. I understand the association basically told the minister that she had to ban MMT in Canada or it would disconnect the onboard diagnostic systems on cars headed for Canada, or it would increase the cars' warranty costs or shorten the warranty period. The MVMA also claims that MMT has caused the misfiring of certain sparkplugs.

I fail to understand, in view of how extensively this topic has been studied, particularly in the United States where the product has been banned for 18 years and will again be available for use before the end of the year, why the minister has accepted without question the position of the Motor Vehicle Manufacturers Association.

Furthermore, I understand that the proponents of the bill claim that banning MMT will lower pollution and health risks to human beings. There have also been numerous claims in favour of banning MMT, such as the need for uniformity in gasolines in the North American market. I would like to address all of these points briefly in my presentation to the House today but most important I wish to show how the ban on MMT could be detrimental to the Canadian market.

Let me say before I get into my presentation that I and numerous other members of my caucus have met with both sides of this argument a number of times, the Motor Vehicle Manufacturers Association and Ethyl Corporation, which is more than I can say for what the minister has done. She has consistently refused to meet with both sides of the argument and has only met

with the Motor Vehicle Manufacturers Association. I hardly think one can form a balanced view of the issue without meeting and listening to both sides of the argument.

• (1350)

After having done so, I firmly believe that there is no health, environmental or technical reason for banning MMT in Canada. MMT has been used in Canada since 1977. It was used in the United States until 1970 and was banned in 1970 due to a U.S. clean air act establishing a process requiring new fuel additives not substantially similar to gasoline to obtain a waiver by demonstrating compatibility with vehicle emission systems.

The company that manufactures MMT, Ethyl Corporation, undertook an extensive fuel additive testing program which resulted in the Environmental Protection Agency's conclusion in December 1993 that MMT will not cause or contribute to the failure of any emission control device or system.

Contrary to the minister's statement of May 5, 1995, the U.S. court of appeal ordered the Environmental Protection Agency to grant waiver approval to Ethyl Corporation on April 14, 1995. The minister was fully informed of this decision.

In December 1993 following a large fuel additive testing program, the U.S. Environmental Protection Agency concluded that the use of MMT will not cause or contribute to the failure of any emission control device or system, including onboard diagnostic systems. The Environmental Protection Agency and subsequently the U.S. court of appeal rejected concerns about the impact of MMT on onboard diagnostic systems presented by U.S. automakers.

The U.S. automakers have experienced significant difficulties in the certification of onboard diagnostic systems in the United States where MMT is not currently used in unleaded gasolines. The U.S. Environmental Protection Agency and the California Air Resources Board have recently changed the regulations to allow for certification of vehicles that do not comply with the OBD–II requirements.

The U.S. Environmental Protection Agency has stated in the federal register that automobile manufacturers have expressed and demonstrated difficulty in complying with every aspect of the onboard diagnostic requirements and such difficulty appears likely to continue into the 1996–97 model year.

In Canada the Motor Vehicle Manufacturers Association appears to be blaming the OBD–II system difficulties on MMT. The Motor Vehicle Manufacturers Association members have lobbied the Canadian government threatening to disconnect onboard diagnostic warning systems and pass the cost on to consumers unless the government passes legislation to ban MMT.

The Canadian government appears to have responded to these threats without noting that the vehicle manufacturers have failed to achieve OBD–II certification in the U.S. for most new models.

Furthermore, I would like to know if this minister can explain her statement that if vehicle manufacturers carry through on threats to remove onboard diagnostic systems this would result in a tenfold increase in vehicle emissions. This false claim shows a fundamental misunderstanding of the technical issues involved and underlies the need for independent technical assessment of the Motor Vehicle Manufacturers Association claims.

Onboard diagnostic systems do not reduce emissions on vehicles. Onboard diagnostic systems are a monitoring system designed to notify the driver when emission control equipment is not operating properly. Removal or more likely disconnecting the onboard diagnostic systems would only serve to prevent a dashboard malfunction indicator light from illuminating. No emission control equipment would be removed.

On the sparkplug issue that the minister makes much of, the Minister of the Environment cited the claims to help justify her proposal for the legislation to remove MMT. However, she failed to point out that the automakers' claims related primarily to one type of platinum tipped sparkplug used primarily on one engine version only in GM automobiles. The sparkplug in question was discontinued by GM indicating that problems were related to design, not MMT.

No causal links have ever been established between MMT and sparkplug problems. To my knowledge no warranty data have ever been made public.

• (1355)

I have learned that to further assess the validity of GM's concerns independent testing was conducted at the Southwest Research Institute in San Antonio, Texas, using the platinum tipped, long life sparkplugs used in all 1994 2.2–litre Chevrolet Cavaliers. The goal of the study initiated with General Motors Corporation in the U.S. was to determine the differences between new sparkplugs, failed sparkplugs and sparkplugs used which have had no problem.

The sparkplugs were fired by a power supply which increased output to the plugs in a ramped manner. Current leakage up until the plugs fired was measured. Movies were taken to document whether arcs occurred between electrodes or from electrode to shell.

The sparkplug test program showed that MMT is not associated with reported sparkplug related problems. To satisfy the U.S. clean air act requirements for the reintroduction of MMT in unleaded gasolines in the United States, Ethyl Corporation informed me that

it had conducted the most extensive series of tests ever undertaken on a gasoline additive.

The testing program was designed with the assistance of the U.S. Environmental Protection Agency and U.S. automakers to evaluate and document the effective MMT performance additive on automobile tailpipe emissions and to determine the implications for air quality if MMT additives were used in the U.S. gasoline.

The initial MMT emissions test program involved 48 cars representing a broad cross–section of automobiles driven in North America operated for a total of more than three million miles. Half of the 1988 cars used the test fuel with the additive and half used the same fuel without the additive.

Tailpipe emissions were checked every 5,000 miles. Testing demonstrated conclusively that MMT decreases nitrous oxide by approximately 20 per cent. As a note, the EPA participated in determining the test protocols. Also, independent testing data analysis organizations used procedures similar to those used by the Environmental Protection Agency.

On the issue of health, I would like to address the concerns with MMT. On December 6, 1994 Health Canada released the results of an independent risk assessment focusing on new epidemiological studies and Canadian exposure data titled "Risk Assessment for the Combustion Products of MMT in Gasoline".

The Health Canada study concluded that the use of MMT in gasoline does not represent a health risk to any segment of the Canadian population. Specifically the report states: "Airborne manganese resulting from the combustion of MMT in gasoline powered vehicles is not entering the Canadian environment in quantities or under conditions that may constitute a health risk". The study also concluded that there is no connection between levels of ambient respirable manganese and MMT sales or use in unleaded gasoline whether examined by geographical area or by season.

Back on April 25, 1995 the hon. Minister of Industry stated that it is crucial that we have uniformity in standards of gasoline in the North American market. The hon. Minister of Industry was referring to the fact that at the time MMT was not used in the U.S.A. but was in Canada and it was important to have the same gasoline—

The Speaker: Of course the hon. member will have the floor right after question period. It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

NEW BRUNSWICK ELECTION

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I congratulate the Liberal Party of New Brunswick and Premier Frank McKenna for a decisive victory at the polls on September 11. The citizens of New Brunswick have reaffirmed their commitment to the provincial government's vision of job creation growth.

The former official opposition party, the Confederation of Regions, is a party that opposes bilingualism both in Canada and in New Brunswick. It is important to note that it was completely shut out of the legislative assembly. In my own riding, five core MLAs were defeated and only one finished second. This sends a message to the people of New Brunswick that both linguistic communities are an integral part of our province and our country. I applaud the citizens of Fredericton and of New Brunswick for asserting their vision of an equitable and tolerant society.

I once again congratulate the Liberal Party and Mr. McKenna on their victory.

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[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, tomorrow, students will hold rallies throughout Quebec to protest against the federal government's cuts to social programs and its intransigent attitude toward the Quebec National Assembly's unanimous and legitimate demands.

The budget cuts made by the federal government will have a disastrous impact on the provinces' tax burden, which the Prime Minister is loath to admit. His government's cuts to social transfers have left the provinces and the students with no way out. These cuts are forcing the provinces to impose an unprecedented hike in tuition fees, on the one hand, and to increase student indebtedness to unmanageable levels, on the other hand.

Given all the secretiveness and tricks used to hide the consequences of his reforms, how can Quebecers trust the Prime Minister of Canada?

* * *

[*English*]

CAPITAL PUNISHMENT

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, since 1970 in the U.K. 89 per cent of Conservative MPs and about 81 per cent of Labour MPs have voted at least once against the

orders of the whip. This free voting has resulted in the defeat of some unpopular government bills but it has never caused the fall of the government. MPs in the U.K. have gained the courage to stand up and represent their constituents because the benefits of doing so far outweigh the disadvantages of punishment by the whip.

On Wednesday the House will debate my motion that asks the government to hold a binding referendum on capital punishment at the time of the next election. I will be asking members to make the motion votable and to subsequently support the motion so that the people who pay our salaries can have their say on this important issue.

Let us show our constituents that we are prepared to represent them and to do so in the interests of real democracy.

* * *

CROW BENEFIT COMPENSATION PROGRAM

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the minister of agriculture needs to reconsider at least one decision he and his department have made about the Crow benefit compensation program.

Farmers on the prairies and particularly in northwest Saskatchewan who grew forage crops in 1994 in rotation with their grains have been declared ineligible for compensation on those land acres seeded for forage. All summer long I received calls and letters from producers caught in this unfair situation. Most recently I have been receiving letters from individual rural municipalities asking that this unfair situation be changed because forage acres will see the same reduction in land values as cultivated acres.

Prior to the decision being made, the minister of agriculture said he consulted with the Saskatchewan Association of Rural Municipalities and valued its opinion. I hope he continues to value its opinion and will now reconsider so that producers who are managing their lands properly will not be unduly penalized by this unfortunate and unfair circumstance.

* * *

CANADIAN COUNTRY MUSIC AWARDS

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Mr. Speaker, Shania Twain, one of many famous musicians from my riding of Timmins—Chapleau, was enormously successful in last night's Canadian Country Music Awards. Among other awards, Shania won female vocalist and album of the year.

Shania worked hard to get where she is today and continues to work hard. No doubt Shania is the fastest rising country music star. She thanked her home town of Timmins in one of her many appearances at the podium to receive awards.

In return, I would like to thank Shania and her family, friends, teachers and neighbours, who can all take great pride in her achievement last night. I would also like to congratulate all nominees in the awards. Showcases of such Canadian talent make me proud not only to be from Timmins but from Canada.

I ask all members to join me in congratulating Shania and the other Canadian nominees.

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THE LATE WALTER ALBERT TOBIN

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, a funeral was held yesterday for a distinguished Newfoundlander who passed away on Friday. Mr. Walter Albert Tobin, 97 years old, was the last survivor of the first world war Battle of Beaumont Hamel.

Mr. Tobin was only 17 years old when he enlisted in the army. He had no way of knowing then that on July 1, 1916, his Royal Newfoundland Regiment would be virtually wiped out at Beaumont Hamel. Over 300 people died or went missing; 386 were wounded. The next morning only 68 men were able to answer the roll call. Mr. Tobin was one of them. Although wounded, he received medical attention and then returned to the battlefield.

• (1405)

I recently spoke with Mr. Tobin at a veterans ceremony in St. John's and I was indeed honoured to meet a man of such courage and stature.

There are fewer than 2,300 first world war veterans living today. As we mourn the passing of Mr. Tobin we would do well to listen and learn from their experience and their wisdom. We should seize the opportunity to tell these men and women how grateful we are and how proud we are of their service to our country.

* * *

LAND MINES

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, I recently returned from Cambodia and subsequently from the second world parliamentarian conference in support of the United Nations, in Gifu, Japan.

I again draw the attention of the Chamber to the important issue of land mines. Despite real progress in Cambodia toward political and economic sustainability, the people in the rural northwest are still subject to the aftermath of the war with the Khmer Rouge. I saw internally displaced people who cannot go home because their fields are mined. There is still a steady stream of men and women and children into the hospitals with seriously disabling injuries as a result of land mine accidents. We know that the de-mining activities are going to take generations to complete because the process is so painstakingly slow.

At Gifu, the world's parliamentarians voted unanimously to work aggressively toward a ban on the manufacture, deployment and use of land mines. I would ask the members of the House to please consider doing the same.

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QUEBEC REFERENDUM

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, all Canadians, including the residents of my riding, are concerned about the Quebec referendum. In their view, now is the time for all Canadians to speak about the advantages of Canada. Now is the time for calm and competent leadership by all elected people who care about our country.

Everyone seems to understand that except for the Reform Party. I am saddened and disappointed with the irresponsible behaviour of that party. Rather than speaking up for Canada, the Reform Party appears to be interested in contributing to the success of the separatists.

Whose side are the Reformers taking? Do they secretly want a yes vote? If they want a vote for Canada, as all federalists do, I hope they will show the kind of positive leadership that will help the people of Quebec choose Canada.

The residents of Brandon—Souris and I are happy to have the sound and sensible leadership of the Prime Minister to defend the interests of Canada, not the irresponsible exploitations of the Reform Party.

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[*Translation*]

MEMBER FOR BROME—MISSISQUOI

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, Canadians had yet another opportunity to see how ignorant some federalists are when they heard the comments made yesterday in this House by the hon. member for Brome—Missisquoi.

The commercial against drugs made by the Matane local community service centre and broadcasted by Radio–Canada in eastern Quebec was withdrawn because it failed to disclose the name of the advertiser as required by CBC regulations.

After the correction was made, the message went back on the air and is still being broadcasted. It is obvious that the hon. member for Brome—Missisquoi is totally misinformed. He would have been better off not saying anything about a matter he was not familiar with.

Saying no to drugs is a wise decision, especially at a time when we are getting ready to say yes to our future.

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[*English*]

CULTURE

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, last Friday the heritage minister gave what he claimed would be a visionary speech on the future of Canadian culture. To be kind, we will just say it fell somewhat short of its billing.

The speech was really a little temper tantrum replete with contradictions and embarrassing pleas for respect from the big bad Americans. The sub–theme of the speech was: "It is not our fault; we are all victims".

In the face of worldwide competition the Canadian cultural industry needs to take full advantage of American capital markets. We need competition. We need international partnerships. We need new markets. Subsidization and protectionism will only produce trade wars, feeble and inefficient companies, and the loss of the choice and value that Canadians deserve.

Yes, change sometimes can be frightening, but the minister should quit his whining and stand out of the way. Even while he spoke and with no help from the government, individuals and private sector Canadian companies were charting new ground in introducing Canadian culture to the world and the 21st century.

* * *

• (1410)

JOHN AND JESSE DAVIDSON

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, tomorrow two special constituents, their families, friends, supporters, and hopefully many in this Chamber will walk the final kilometres of a courageous journey.

Jesse's journey started on May 20 when John Davidson began pushing his son Jesse across Ontario to raise awareness and funds for gene research. Jesse is 15 years old and is confined to a wheelchair, afflicted with Duchenne muscular dystrophy. Together they have seen the faces, hearts and beauty of our province and its people. It was a humbling experience for those who have shared some road time in these past months with John and Jesse.

Medical research has gained from this 3,300–kilometre walk. To date, funds donated are in excess of $700,000. I believe though that for John and Jesse the summer of 1995 has been more a testament to the love and the caring of the Davidson family.

Congratulations. Félicitations et bravo.

[*Translation*]

QUEBEC REFERENDUM

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, the Leader of the Opposition is surprised to see that the public is questioning the validity of the referendum process.

Essentially, this resistance has to do with the three separatist leaders deciding not to honour their promise to make the question clear and simple.

Does the leader of the Bloc Quebecois remember making a speech on October 19, 1994, in which he said that Quebecers would be asked a simple question that would go something like this: Do you want Quebec to become a sovereign country, yes or no?

Instead of fulfilling this promise, the Bloc leader decided to do precisely what he had condemned by asking a question so subtle that it makes no sense and is ridiculous, to use his own words.

* * *

QUEBEC REFERENDUM

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, yesterday, the Prime Minister stated that he may or may not recognize the Quebec referendum depending on its results. If the no side wins, the answer is clear, but if the yes side wins, he would consider holding a federal referendum. This new concept involving various levels of democracy is shocking and must be denounced by anyone who believes in democracy.

Mrs. Lysianne Gagnon was quoted in *La Presse* as saying that Mr. Parizeau has reason to be proud because he kept his promises; he had promised to ask a clear question and that is what he did.

It is obvious that the Prime Minister is out of touch with reality in Quebec. Even Quebec federalists recognize the validity of the referendum results. But such faulty reasoning is hardly surprising coming from the very man who masterminded the 1982 show of force and killed the Meech Lake accord.

* * *

[*English*]

STANDING COMMITTEES

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, there are only so many chances for a Liberal backbencher to make a decision that will affect the direction and tone of the parliamentary session. They face one of those chances now with the opportunity to elect leaders to the House of Commons standing committees.

S. O. 31

Last year backbenchers followed the dictates of their whip and handed over the vice-chairmanship of every committee to the Bloc Quebecois. If they once again reward Bloc members with each and every vice-chair position, backbenchers will be rewarding people who are determined to tear the country apart. However, if they choose instead to allow Her Majesty's only real and national opposition, the Reform Party, to have a fair share of the committee work, they can send a message to all citizens that the House is determined to cultivate leaders from every province and region who want to participate in building a new and united Canada.

It is up to the backbenchers. Are they going to take orders from the whip or are they going to do what is right?

* * *

• (1415)

[*Translation*]

STUDIES COMMISSIONED BY GOVERNMENT OF QUEBEC

Mr. Denis Paradis (Brome—Missisquoi, Lib.): On September 2, 1994, Quebec's premier wondered out loud about alleged studies that the previous government would have kept from Quebecers. He said to the *Journal de Montréal*: "These studies exist. They were commissioned by Robert Bourassa. If he does not make them public by September 12, we will have to draw conclusions about the honesty of these people."

One year later, after the minister responsible for restructuring wasted millions of dollars in fancy studies, the pequiste government too finds itself with studies which it refuses to make public because they do not serve its separatist propaganda. Will the pequiste premier finally agree to make public all these studies which Quebecers paid for with their tax dollars, and will he stop hiding the truth on the real cost of separation? Separation is a costly proposition and Quebecers will say no to the waste of public moneys used for the ego trips of the likes of Lisette, Jacques, Mario and Lucien.

* * *

[*English*]

PRESENCE IN GALLERY

The Speaker: Colleagues, in a slight departure from our normal routine, I wish to draw to your attention the presence in the gallery of the Governor of the Tula region in Russia, Mr. Nikolay Sevryugin.

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD

[*Translation*]

QUEBEC REFERENDUM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the fog thickened yesterday around the Prime Minister's real intentions, following statements he made in this House. When he speaks French, he remains ambiguous about the recognition of a yes vote, but when he answers in English, he makes it clear he will reject a yes from Quebecers.

Since the very future of Canada and Quebec is at stake, the public has the right to expect the Prime Minister to be consistent and to be clear about his position.

My question is directed to the Prime Minister. Will he, as the Reform Party did yesterday, respect Canada's democratic traditions and recognize a yes or a no to the Quebec referendum question as equally valid?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, what I said yesterday in English was translated into French, as you can see in *Hansard*. We have a system: if I speak French, it is translated into English, and if I speak English, it is translated into French. I said the same thing.

And perhaps I could explain this to the Leader of the Opposition. I would like to quote to him from a document produced by the government of Mr. Lévesque, and of course he knows Mr. Lévesque. In 1977, in a document which appeared under the title: *La consultation populaire au Québec*, they said: "Referendums would be consultative in nature". I agree. The document says: "The first imperative of politics in a democracy is a clear majority". I agree. The document goes on to say: "The consultative nature of referendums", they should have said referenda, in any case, "means that it would be unnecessary to include in the legislation special provisions on the majority required or the minimum participation rate".

It is a consultative system, as Mr. Lévesque and his government admitted in 1977. Today, we have a confusing and ambiguous question, and I am asked whether we would recognize a vote with a majority of one. As Mr. Johnson put it so well yesterday, we are not about to separate from Canada on the basis of a judicial recount.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the Prime Minister just quoted Mr. René Lévesque. However, I am sure he will remember, the day after the 1980 referendum, that Mr. Lévesque accepted the people's decision. He did not see it as just a consultation, a point of view. He agreed and bowed to the people's wishes, while the Prime Minister reneged on commitments he made to get a no from Quebecers in 1980.

Some hon. members: Right on.

Some hon. members: Hear, hear.

Mr. Bouchard: We are all aware the Prime Minister is trying to treat the current referendum as a mere consultation without consequence. I would ask him to confirm, and he also hinted at this yesterday in one of his replies, whether it is true he is preparing to call a federal referendum to put pressure on the Quebec yes side?

• (1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not even have to consider that, because we will tell Quebec that the Leader of the Opposition is proposing Quebec's separation from the rest of Canada. They will vote to stay in Canada. If the question had been clearer— The leader of the Leader of the Opposition said this during the election campaign: "Do you want Quebec to become a sovereign country on such and such a date"? He said that would be the question.

However, when the Leader of the Opposition realized he could not win, he said: "We will come up with a winning question". Is that respect for democracy, coming up with a winning question because they cannot convince Quebecers to leave Canada?

I have great confidence in the judgment of Quebecers. They will stay in Canada, and the question asked by the Leader of the Opposition is doubly hypothetical.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the Prime Minister continues to maintain a state of confusion and ambiguity. He refuses to tell us outright whether or not he will feel bound by the results of the referendum. He refuses to set aside the prospect of a counter–referendum by the federal government.

I would ask him to raise the veil of secrecy at least partially and clarify the following: Would he not see as illegitimate any federal referendum aimed at short–circuiting a democratic decision by the people of Quebec on their political future?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, is the Leader of the Opposition saying that when Quebecers voted against the Charlottetown proposal that would have given Quebecers a distinct society—the Leader of the Opposition himself voted against it—the referendum was legitimate because everyone was consulted? Canada's future is not the business of a single group of citizens. This has an impact on all Canadians.

I must say I hardly have to consider holding a national referendum as authorized by Parliament, since Quebecers will realize that the separatists are trying to hide the truth. The leader of the Leader of the Opposition has refused to table documents paid for by taxpayers because these documents will clearly

prove they are trying to hide the truth from Quebecers, because they know perfectly well that Quebecers want to stay in Canada.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we appreciate the Prime Minister's efforts to create a diversion in order to avoid answering the real question that the Leader of the Opposition has been asking and that all Quebecers have been asking through us over the past two days. I will try for an answer once again.

He is becoming the ambiguity champion, shifting subtleties according to whichever language he is speaking or leaving the possibility of a second referendum in doubt. His answers are never clear. I will ask him the question once more. I want to give him an opportunity to respond clearly.

Does the Prime Minister of Canada not realize that he himself is confusing the whole question with his ambiguous statements? Does he not realize that his role as Prime Minister in fact is to act democratically and responsibly in response to the choice of Quebecers and to say so clearly and unambiguously?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the answer is no.

I would like to thank the hon. member for criticizing me for being too subtle. This is the first time this has happened to me in my life, and so I am very happy. For me, my duty is clear. I do not need any lessons from the hon. member for Roberval on what my duty is. I understand my duty very well. I was elected to administer this country, to give Canadians good government, to create jobs and to make this country even better. To do so, we must ensure that Canada remains united.

• (1425)

This is what I am going to do over the next forty days with Mr. Johnson in Quebec City, to do my duty as Prime Minister and keep this country united for the future.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is true that subtlety is a quality, but shifting subtleties according to the language you are speaking is devious.

Speaking of Daniel Johnson, the chair of the no committee, he refused this morning to reiterate before the National Assembly the commitment he made last week to honour Quebec's yes vote.

Are we to understand that the Prime Minister of Canada has just called the chair of the no committee in Quebec to order as he did last week in the case of his Minister of Labour? Did he use the same process?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Mr. Johnson understands the current debate very well. He has said we are not about to divide a country following a judicial recount to find out whether there was one more vote or not. It was in fact Mr. Lévesque himself and his government that clearly established the rules whereby a majority must be clearly expressed in such a situation. These are the words of the person the Leader of the Opposition wants to replace. He admires and reveres him, he is always saying. I am therefore simply following the democratic principles established by Mr. Lévesque; and Mr. Johnson has said so as well: "Democracy begins with treating people honestly and asking them a clear cut question".

I challenge the opposition once more; I defy the Leader of the Opposition to call Mr. Parizeau. With one day of debate still to go at the National Assembly, let him replace the question with a clear one: Do you want to separate from Canada on a given date? They will have a clear cut answer. Quebecers will say: We are staying in Canada. That is being clear.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister has rightly accused the separatists of softening and confusing the referendum question in a vain attempt to guarantee a yes vote. This is obviously the separatist strategy and we denounce and deplore it. However, the Prime Minister is also sending out contradictory signals on the meaning of a yes vote that is hurting the federalist cause.

Last week the Prime Minister said that a yes vote would be a one way ticket to separation, but yesterday in question period the Prime Minister implied that the one way ticket might include the return fare.

Will the Prime Minister now make it perfectly clear to Quebecers that a yes vote means separation and not just a new round of bargaining with the federal government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I always said that the goal of the Parti Quebecois and the Bloc Quebecois is to separate from Canada. It is clear to me.

I am very disappointed that the leader of the Reform Party is trying to position himself in a situation like this. I would like to tell him that as Canadians we have to be united to make sure that Quebec remains in Canada.

Some hon. members: Hear, hear.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, for 25 years I have worked in the political wilderness of western Canada, working to build a better—

Some hon. members: Hear, hear.

• (1430)

Mr. Manning: If the Prime Minister wants to make comments about the loyalty of members to Canada let him direct them to the Leader of the Opposition, not the leader of the Reform Party. The difference is I am committed to federalism with my head as well as my heart. My head tells me—

The Speaker: I am having a little difficulty hearing.

Mr. Manning: Mr. Speaker, I am committed to federalism with my head as well as my heart. My head tells me the only way Canada can lose this referendum is for some Quebecers to think they can vote yes for separation and avoid the consequences of that vote. They think they can vote for separation and still enjoy the benefits of federalism. That is why we asked the Prime Minister to make clear that yes means separation and only no means federalism.

I will again ask the Prime Minister sincerely, as we are not playing games here, why he is so reluctant to make that distinction crystal clear.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, for 32 years I have travelled to every part of Canada and have made the same speech about this great country. I have travelled to Quebec and to the west, Alberta and B.C. It is my duty to say what I said. They want to create separation but they do not have the intellectual honesty to ask a clear question. This is what I have to tell them.

In a country like ours to recognize that at one time a rule of majority plus one could break up the country would be irresponsible on my part. Even in the Reform Party, as a journalist wrote this morning, in order to change its constitution one has to ask for two–thirds of its membership.

Therefore I will not break up the country with one vote. It is not real democracy. Real democracy is to convince the people they can express themselves clearly, which is what we are doing.

This is why we are telling Quebecers these people want to separate but they will not succeed because it is our collective duty to tell all Quebecers the scheme they have, the virage, the mirage and so on will not work. They will not succeed in fooling the people of Quebec because the people of Quebec will know when they vote 39 days from now that they will not separate. They will stay in Canada because it is their destiny, their future and their desire.

• (1435)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we are asking for volume and cheering and we are still not there.

On September 12 the federal Unity Minister said: "Quebecers have the right to express themselves about the future of Quebec in Canada. We are a democratic country, so we will respect the vote". On the same day Daniel Johnson, the leader of the no forces in Quebec, when asked if he would accept a 50 plus 1 yes vote, said: "Yes, everyone will have to live with the result".

The federal unity minister and the leader of the no forces in Quebec have endeavoured to be clearer on the meaning of yes than the Prime Minister.

For the sake of national unity, we are not disagreeing about the goals, for the sake of making the issue crystal clear, will the Prime Minister get on side with the unity minister and with the leader of the no forces in Quebec by saying he agrees with them on the meaning of a yes vote?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is very sad to see the leader of the Reform Party asking exactly the same questions as the Bloc Quebecois.

I have said all along the minister replied very clearly yesterday that we want a clear question on separation. This is not a clear question on separation. It is a confusing question which we are denouncing. When I hear that confusing question from the leader of the Reform Party, saying that with one vote he will let Canada go, it is a very sad day for the people of western Canada.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is directed to the Minister of Labour, responsible for the no side.

Yesterday in this House, the Minister of Labour tried to justify her about–face with respect to the referendum results by claiming that the question was ambiguous.

On September 12, when she said she would respect the decision of Quebecers in the referendum, would the Minister of Labour agree that at the time she already knew what the referendum question was and had known for several days?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, the hon. member for Rimouski—Témiscouata certainly did not pay attention to the statements I made in my own riding. I was in the Lower St. Lawrence the day after the question was tabled in the Quebec National Assembly, and I said then that we were dealing with a question that was ambiguous, and I still say so today. And that is why the no coalition will work very hard during this referendum campaign to make the stakes clear to Quebecers, and the stakes are the separation of Quebec.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, will the Minister of Labour agree that it was intellectual dishonesty on her part to refuse to admit that a reprimand from the Prime Minister caused her to change her position on the results of the referendum?

The Speaker: My dear colleagues, today we have used the words "intellectual honesty".

Mr. Bouchard: The very words of the Prime Minister.

The Speaker: Order, please. Now we are saying "intellectual dishonesty". I would ask hon. members to be very careful in their choice of words. These are very important matters, and I realize that, but I would ask all members to please be very judicious about the kind of language they use.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I wonder who is obsessed with hiding the facts. They want to hide what is basically at stake in this referendum, the separation of Quebec. They want to hide the consequences of this referendum, should the outcome be yes, the economic consequences first of all, and the political and legal consequences.

• (1440)

As well, they are trying to hide studies that would be unfavourable to the option of the Parti Quebecois and the Bloc Quebecois. Who is acting democratically in this country?

* * *

[*English*]

THE ECONOMY

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the government claims to be champing at the bit to deal with other issues in Parliament and Canadian taxpayers from coast to coast are concerned about their economic security regardless of the outcome of the Quebec referendum.

Can the Minister of Finance give us a precise date for his fall financial statement and will that statement include a target date for elimination of the federal deficit?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, taking the questions in the reverse order, we will proceed as we have stated to operate on the basis of rolling two year targets so that in the course of the next budget we will obviously be setting a target for the year after 1996–97.

It will be a pleasure at that time to be establishing that target since it will be the fourth year in a row the government will have hit its deficit target.

We intend to proceed in terms of the fall update exactly as we did last year. At a certain point following the beginning of the consultation process when it is important to make that appearance after there has been enough consultation so that the government reacts I would be delighted to appear.

There is one major distinction between this year and last. It was very important last year to very clearly establish the direction the government was taking. That direction has now turned out to be very successful. What I will be doing this year is confirming that direction.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, we had all summer to deal with this issue and I am surprised we are back here without a set date for an economic and financial statement.

[*Translation*]

My supplementary is for the same minister. Among the eleven governments in Canada, the PQ government and the federal government are the only ones without a commitment to deliver a balanced budget. Why has the Minister of Finance pursued the fiscal policy of the separatist government by avoiding a commitment to a deadline for a balanced budget?

[*English*]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the member has no shame. His allies are laughing.

We have made it very clear that the way the previous government operated, the government for which the hon. member once worked, which never once met its deficit targets—that is to say to simply set five year targets, long term targets out of the way after an election was held and never meet them—was not the way to go.

As far as we are concerned what this country wants is credibility in government. We have provided it by establishing clear targets and hitting them and we will continue to do that.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, whereas the official opposition has done nothing else for the past two years, the Prime Minister only yesterday discovered a sudden desire to address real problems: job creation, economic growth, public finances. His finance minister does not share that interest, however, since he will not be taking part in the work of the finance committee leading up to the pre–budget consultation before the Quebec referendum is held.

My question is for the Minister of Finance. How does the Minister of Finance explain his decision not to personally initiate the pre–budget consultations starting up today, but to wait until November to appear before the finance committee?

[*English*]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is nothing but a coincidence that the Reform Party and the Leader of the Opposition asked exactly the same questions on national unity, but now that they ask the same questions on the finances of the country I wonder why we need the two parties. Perhaps one would do or maybe one research branch between the two would do.

Some hon. members: Hear, hear.

• (1445)

[*Translation*]

At any rate, Mr. Speaker, I will give you the answer. It is our intention to follow exactly the same timetable as last year. In other words, I went before the Finance Committee around October 17, or after the financial statements had been tabled. They are not yet ready for last year. Presentations were made to the finance committee by four or five other groups. I certainly intend to go before the committee, once I am able to make worthwhile interest and growth rate projections. I want the submission by the Minister of Finance to be worthwhile for the members. And I shall make it when the time is right.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, if a prebudget consultation process is initiated, the minister should be present to provide guidance. Last year, he gave direction to prebudget consultations. So, why is his office now telling us that he will be available from November 1 to 4 only? Is it because he has things to hide from the people of Quebec, who are about to make a decision regarding their future? Is he trying to hide his incompetence, seeing that there has been no net job creation since November 1994 and that economic growth is stalled?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the reason why I testified slightly ahead of schedule last year, on October 17, was to clearly set out the government's economic policy. This year, as I said, we intend to confirm this.

Now, I must say that I am quite pleased to see that the hon. member for Saint–Hyacinthe is looking to me for guidance. I was under the impression that he always took his orders from—

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[*English*]

HEALTH

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, October 15 is the deadline this government has given to the provinces on the issue of semiprivate medical clinics. Does the Prime Minister know this edict will affect not only Alberta but high quality health care and choice in Ontario as well as Quebec?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the federal Minister of Health as we speak is meeting to follow up on the suggestion of all provinces, with the exception of Alberta, which agreed at a September 1994 meeting "to take whatever steps are required to regulate the development of private clinics in Canada".

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, some examples of those clinics, Médiclub in Montreal and IVF Canada in Toronto, would be gone as we know them. Does the Prime Minister feel so passionate about outdated legislation that he is willing to withdraw funds and decrease choice to Canadians coast to coast on quality health care?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Canadian one tier health care system costs 25 per cent less than the American system. It has full coverage whereas in the United States, the king of private clinics, they pay 25 per cent more and they leave 30 million Americans without a penny of coverage.

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[*Translation*]

SOCIAL PROGRAMS

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Prime Minister.

Yesterday, the Prime Minister stated in this House that his only priority was to deal with the real problems. How does the Prime Minister explain then the fact that his government has postponed until after the referendum every major reform affecting ordinary people, seniors, families, the unemployed and the poor? Is this what dealing with the real problems means?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the contrary is quite the case.

• (1450)

If the hon. member had been more actively looking at the initiatives being taken over the past several months, she would know that we have been able to very successfully introduce a new program to aid students. Under this initiative 300,000 students will now have a new program of loans and grants for the first time, including new grants for those in the province of Quebec.

We have a new program where close to 25,000 young people will now be enrolled through various private sector initiatives in a series of apprenticeship programs. This will give them a real chance to move from school to work.

We have introduced a brand new system of delivery across the country. We will now be able to tell senior citizens that their applications for pensions can be processed in half a day rather than eight days and that they can get coverage in close to 700 centres.

If the hon. member had been more active in looking at the real things going on in the country rather than campaigning for separatism, she would have seen that we are in fact improving the lot of Canadians.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, we did look carefully. We saw that Quebec is number one in the poverty sector and that nothing serious was done about that.

Will the Prime Minister admit that he decided to postpone the announced reforms because he wants to save the bad news for Quebecers until after the referendum?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, again the hon. member shows that rather than looking carefully at the important initiatives being taken this summer, she was off on her political campaigns.

If she had been more aware, she would recognize that we have an agreement with the Government of Quebec for about $80 million to support the APPORT program. It directly provides assistance to poor single mothers to help them go back to school and to get income supplement to help their children. That is how we are dealing with poverty in the province of Quebec.

* * *

[*Translation*]

STUDY COMMISSIONED FROM ECONOMIST GEORGES MATHEWS

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, talking about hiding the truth, the Quebec minister responsible for restructuring claims that the methodology used for the study prepared by Georges Mathews of the Institut national de recherche scientifique was flawed in many ways, which is why it has not yet been made public. As for the author, he claims to have been censored.

Could the Minister of Intergovernmental Affairs tell us in what way this study done by Mr. Mathews is so embarrassing to the Quebec government?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the first reason why the Mathews study, which was kept secret by the Quebec government, is so embarrassing to the Parti Quebecois is that it shows that, in recent years, Quebecers provided 21 per cent of federal revenues, while accounting for 24 per cent of total federal expenditures. This clearly contradicts the claims made by the Parti Quebecois and the Bloc Quebecois.

Second, the study shows that the deficit resulting from the transition would be much higher than indicated in previous studies. The PQ government has always tried to hide the transition costs and that study shows what these costs would be.

* * *

[*English*]

ABORIGINAL AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the residents of the town of Bosanquet at Ipperwash are the victims of an illegal occupation. The town feels betrayed by the federal government and wants the laws of Canada enforced. The town issued a press release yesterday directed to the federal government and is considering legal options.

Why do federal ministers continue to refuse to meet with the town?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, it is good to be back. I did not expect to be congratulated by the Reform Party but I think in the last three weeks even Reform could admit that we can deal face to face with aboriginal people.

• (1455)

Quite frankly I went into Ipperwash when everybody said don't go, that it was dangerous. I found spiritual leaders and I found people who wanted the Liberal Party there, who wanted some leadership there. I am sorry that the Reform could not come.

What has happened in Ipperwash is that we have an outstanding agreement from 1942. It is about time that we implemented the agreement. They have been waiting. We have agreed to do it. We will have a credible negotiator there. He will meet with the First Nations and presumably he will meet with the townspeople.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, everyone agrees that Camp Ipperwash is going to be turned over in an orderly fashion. That is not the question.

The minister of Indian affairs stated that he would not involve himself in situations where there were illegal activities. The people who have not been involved at all in any of this are the residents of the town who have to live with the consequences.

Yesterday the Minister of National Defence stated that negotiation is better than enforcement of the law. Why is the government so obviously refusing to enforce the laws of Canada? Why this double standard?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, even the hon. member realizes that we are dealing with human emotions and grievances go very deep. At the Ipperwash camp I thought it was better that the First Nations be out there policing and they are the peacekeepers there.

We practise the policy of hope. We are not always going to be successful because we never accomplish everything we want to accomplish. Reformers practise the policy of despair and they prove every day that they have reached their goals.

[*Translation*]

POST–SECONDARY EDUCATION

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Prime Minister.

Recently, representatives of various student associations wrote to the Prime Minister to express their concerns regarding the impact of the Axworthy reform on the rise in tuition fees and on student indebtedness.

How does the Prime Minister justify his refusal to reconsider the decision to drastically reduce the federal government's transfer payments, as the students were asking him to do?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, unfortunately the hon. member has his arithmetic a little bit mixed up. In fact, this year the federal government will be increasing its transfer for education to the province of Quebec by $20 million. In the meantime, the government of Quebec cut the budget for education by $200 million.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I would simply point out to the Minister of Human Resources Development that I did not mention any figures.

My other question is also for the Prime Minister. Since the Prime Minister said yesterday that he wanted to talk about the real problems, is he aware today that by ignoring the students and standing by his decision to cut tuition fees, he is creating a major problem for students?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as Prime Minister, I am quite satisfied with the answer given by the minister responsible.

* * *

[*English*]

CANADA PENSION PLAN

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Minister of Human Resources Development.

The Canada pension plan is a fiscal mess. On February 2 of this year the HRDC policy director sent a memo to the chief actuary of Canada and said that the Canada pension plan disability benefits program is financial healthy. However, an internal HRD briefing note dated February 23 indicates that a senior policy analyst directly contradicts this assessment.

How can the minister explain this contradiction?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, let me begin by welcoming back the hon. member for Calgary Southeast who has the very important responsibility of being a commentator on matters dealing with the social programs of this country. I am sure she will be offering constructive suggestions along the way which will be a refreshing change from what we have heard so far from members of her party.

• (1500)

First, if I could provide the hon. member with a word of comment or advice. It is unfortunate the hon. member is using language such as "the Canada pension plan is in crisis or in collapse", which I saw her being quoted as saying a few weeks back.

The Canada pension plan is not in a state of collapse. In fact it is providing very secure pensions for all Canadians. We will be changing the Canada pension plan as we are required to do every five years. The Minister of Finance will be meeting with his counterparts to discuss those matters because it is based on a pay as you go system.

We will have to look at funding the program to make sure it is sustainable for generations in the future. That is the position of the government: we want to maintain a sustainable Canada pension plan and we intend to do that.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I appreciate the comments of the hon. minister but I would very much like him to address his answer to me with respect to the question I asked regarding the contradiction in those two documents I mentioned in my first question.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member should get used to the fact that all kinds of strange and weird documents will be circulated in this field. I would ask her to check with me to make sure of their authenticity or their reliability.

If those do not interest her, she might check with a document produced by her own party which talks about privatizing the Canada pension plan. This would mean a reduction of benefits for 1.6 million senior citizens.

We would like to check on that before she issues such a document.

* * *

JUVENILE PROSTITUTION

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, my question is for the Minister of Justice.

The effects of street prostitution are devastating to street involved youth and to those who live in the affected communities. At our street prostitution forum in Edmonton East there was

an overwhelming consensus that stronger penalties must be imposed against pimps and johns who exploit our children and our young people.

What measures will the minister take to protect the victims of prostitution and by when?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, during the summer I visited and travelled with police officers in seven Canadian cities, spending evenings with the police, learning something about the criminal justice system from their perspective.

Among other things, I saw the nuisance of street prostitution and the tragedy of juvenile prostitution for the children who are exploited. It served only to deepen the commitment I have to doing something about juvenile prostitution.

Edmonton was one of the cities I visited. The Edmonton police force was kind enough to take me with it in its work.

The government is now preparing legislation. We expect to introduce proposals later this year to amend the Criminal Code to deal particularly with juvenile prostitution.

The hon. member should also know we have distributed an options paper to the provinces with respect to other measures and we are awaiting the completion by at least three of those provinces of their own internal consultations before taking further steps.

* * *

HEALTH CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Finance. There are many things today that are not unifying Canada but one thing that does unify Canadians is our belief in a national health care system.

Now that the ministers of health are meeting, as Minister of Finance what message did he give to the Minister of Health to take to this meeting about the federal government's commitment to stable funding by the federal government for our health care?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, in the budget produced last February we stated unequivocally that the principles of the Canada Health Act were there to stay. They were conceived by a Liberal government, they are part of this country's greatest heritage and we will defend them to the hilt.

Subsequently the Prime Minister, the Minister of Health and I all stated that as part of the negotiations of the CHST we are going to ultimately stabilize cash at a level that will enable us to protect the health care system for as long as Canada is here.

* * *

• (1505)

PRESENCE IN GALLERY

The Speaker: Colleagues, today we have some rather special guests with us. In keeping with an initiative that I started in the last session, on your behalf I am inviting distinguished citizens of our nation to be with us. Today we have with us five members who were chosen by our national magazine *Maclean's* to be part of its honour roll.

I would like you to hold your applause. I am going to introduce the five recipients. We can all be justly proud of them and for what they were noted. At the end, if you would join me in saluting them on behalf of our Canadian citizens, I would appreciate it.

I would like you to recognize in the gallery Dr. Adolfo de Bold, whose medical research led to the discovery of a substance linked to the control of high blood pressure; the Right Hon. Brian Dickson, whom many of us have known for many years as Chief Justice of Canada from 1984–1990; Colonel Don Ethell, Canada's most decorated peacekeeper; Mr. Bill Kelly, one of our outstanding labour negotiators; and Mr. Arnold MacAuley, a search and rescue specialist. These are our distinguished Canadians.

Some hon. members: Hear, hear.

* * *

[*Translation*]

POINT OF ORDER

ORAL QUESTION PERIOD

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, our Standing Orders provide that matters raised during question period must have to do with, and this is clearly spelled out, government or ministerial responsibilities.

Here is my question: How can the Liberal member for Vaudreuil be allowed to question the Minister of Intergovernmental Affairs of Canada about something that is not within his jurisdiction or that of the government, about a document tabled by another government? How can the minister be allowed to be asked a question, and then proceed to give an answer for over two minutes, when the matter falls outside his purview?

The Speaker: Dear colleagues, as you know, our colleagues are entitled to ask questions and that is what one of them did. I

will review today's Hansard. The hon. member is right in saying that questions put to government members must be related to their administrative responsibilities. I will look into this matter and return with an answer shortly.

REQUEST FOR WITHDRAWAL OF MOTION M–208

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, if you were to ask, you would certainly find unanimous consent to withdraw Motion M–208 standing in my name from the order of precedence of Private Members' Business.

• (1510)

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

(Motion withdrawn.)

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, were you to seek it, I think you would find unanimous consent that private members' hour this evening be cancelled but that all items on the order of precedence retain their position on the order of precedence so that we can proceed with item number one tomorrow.

The Speaker: Is it agreed?

Some hon. members: Agreed.

The Speaker: This concludes question period.

GOVERNMENT ORDERS

[*English*]

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, before I was interrupted by question period I attempted to raise substantive questions concerning the position taken by the Motor Vehicle Manufacturers' Association as voiced through the Minister of the Environment.

In continuing my presentation, I would like to talk about some of the difficulties that will be imposed on Canadians if this bill is to proceed and become law.

On April 25 the Minister of Industry stated that it was crucial to have uniformity of standards in gasoline formulation in the North American market because we exist in one North American market. I hope that the minister still agrees with that statement and still agrees that it is crucial to have uniformity of standards, particularly since the U.S. court of appeals has now ordered that the U.S. EPA grant Ethyl Corporation's application for waiver, paving the way for the use of MMT in unleaded gasolines in the United States. In fact, several refiners in the U.S. have provided written notice of their intention to use MMT in gasoline formulation.

Uniformity of gasoline additives within North America would now require that Canada maintain rather than restrict MMT. Certainly it should not mean that it is no longer crucial to maintain that uniformity of standards.

Also the refining industry has raised a number of objections to the initiative, basically that it would increase the cost to refiners and it will increase refinery emissions. A 1995 study by T.J. McCann and Associates Limited of Calgary concluded that removing MMT from Canadian gasolines would add significantly to the refinery cost for formulating gasoline and increase the severity of the refining process required to achieve cleaner burning fuels, leading to increased refinery emissions and higher oil consumption.

The Minister of the Environment made much of need to control pollution in this country. The study by Calgary based T.J. McCann and Associates and Environ International Limited of California showed the likely range of increase in nitrous oxide emissions if MMT were banned. The testing utilized Environment Canada's own criteria, Mobile 5–C data and Ethyl fleet test data. The study concluded that the banning of MMT would increase Canadian nitrous oxide emissions from its vehicle fleet by 32,000 to 50,000 tonnes by the year 2000, an equivalent of adding over one million automobiles to Canadian roads.

• (1515)

Last May, Environ California concluded that Environment Canada and the McCann study underestimated the annual increases in tonnes of nitrous oxide emissions that would result from the removal of MMT. Environ examined the inappropriate use and application of the Mobile 5C emission factor by Environment Canada and concluded that Canadian nitrous oxide emissions increases resulting from the removal of MMT would range between 49,000 and 62,000 tonnes.

Putting these studies in a non–technical format, removing MMT would increase nitrous oxide levels from automobiles by up to 20 per cent. I cannot believe the Canadian Minister of the Environ-

ment is pushing legislation that would increase pollution in Canada.

Almost all provinces in Canada oppose this initiative by the environment minister. In the interest of time I will quote Alberta's position. Ty Lund, Alberta's minister for environmental protection, said:

> It is unclear that the removal of MMT from gasoline has net environmental benefits.
>
> Alberta favours the design of a suitable, binding process to resolve the dispute in a fair and timely fashion. An open, multi-stakeholder review of the environmental and economic merits of MMT should be key to this dispute resolution mechanism to credibly solve the vehicle-fuel compatibility issue.
>
> Further, Alberta is concerned that the actions of the federal government to affect the interprovincial trade of MMT appear to contradict the provision found in the energy chapter of the draft agreement on international trade. Article 1209, section 1 of the draft agreement currently states: "No party shall prohibit or hinder access to its petroleum markets or its petroleum products markets". It is our understanding that the intent of the federal-provincial agreement was to remove interprovincial barriers to trade in petroleum products.

I also have similar objections from Saskatchewan, Nova Scotia and New Brunswick.

When we examine all the evidence before us and if we examine the evidence impartially we cannot help but to at least conclude there is some doubt to the argument and position put forward by the Canadian Automobile Manufacturers Association.

Based on that information it is only reasonable that instead of passing this bill the government should ask—in my mind there is no doubt—if there still remains a doubt and ask for an independent study to determine what the affect of MMT in gasoline is required in Canada.

The minister says she has seen numerous studies on the issue in Canada but those studies come from only from the automobile manufacturers association which has refused to release those studies or the minister has refused to table those studies in the House so that we might all have a look at them in order to decide whether they are legitimate studies containing legitimate evidence.

I challenge not only the Minister of Industry to reject this bill and vote against it, but I challenge Alberta's only representative in cabinet, the Minister of Natural Resources, who professes to support the industry and Alberta's position, to vote against the bill on that basis.

I am disappointed that Canada's environment minister has been unwilling to listen to both sides in this argument and judge the evidence from both sides. She chose instead to simply voice, as a political puppet, the concerns of the motor vehicle manufacturers association and carry it forward on its behalf instead of taking the interest of all Canadians into consideration on this issue.

• (1520)

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the hon. member talked about the minister being a political puppet of the auto manufacturers association, which is a very serious accusation. Contrary to what he stated in his speech, is he aware the minister met with the Canadian Petroleum Producers Association directly as representatives of the Ethyl Corporation on this very issue twice and that they twice flew in in the corporate jet to meet with the minister?

Is he also aware the minister has met with the CPPI on at least four or five occasions? I do not think the hon. member is fair when he says the minister never gave the Ethyl Corporation or its representatives any hearing. That is completely false.

If this is your information, I suggest you correct it. I do not think the minister is the type to be a political puppet of anyone I know.

The Acting Speaker (Mr. Kilger): Before I grant the floor to the hon. member to reply, I simply caution both sides of the House and all members to please make all interventions through the Chair and not directly across the floor to one another.

Mr. Chatters: Mr. Speaker, I have been advised by Ethyl Corporation, one of the stakeholders in this issue, the other being the Canadian Automobile Manufacturers Association, that the Minister of the Environment refused to meet with it. That is the information I have to go with.

Mr. Lincoln: Mr. Speaker, maybe the member should, because he seems to have very close relations with the Ethyl Corporation, ask it to correct this misstatement. The minister has assured me personally that she met twice with the CPPI on behalf of the Ethyl Corporation to discuss this very subject.

Mr. Chatters: Mr. Speaker, the real issue here is not who has met whom and on whose behalf but whether both sides in this issue have had a chance to argue directly with the minister the question at hand and whether both sides have had an equal chance to produce unbiased independent studies on the issue, which has not been the case in Canada.

This issue has been studied to death in the United States. The conclusion by the U.S. Environmental Protection Agency has been that MMT has no detrimental effect on the environment, on health, on the onboard computer equipment in cars. That should indicate at least some doubt in the minds of the Minister of the Environment and the parliamentary secretary to the validity of the automobile manufacturers association's evidence, which it have refused to provide to the public.

The very lease we should do is provide an opportunity in Canada for independent study, independent of both stakeholders in this issue. We should then make a decision based on that impartial,

independent evidence. I do not think that is an unreasonable request.

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, my hon. friend from Athabasca initially made what one would consider a rather unwise accusation in his speech. He suggested the government was succumbing to big powers or big business or the shakers and movers in the country and so on.

I listened intently when he talked about the wisdom of continuing to use this American produced product and I wondered where he was getting his information and the kind of thing he was reading into the record.

• (1525)

The first of three questions is who is turning his crank? Who is cheering him on to stand up and deliver his own set of figures especially when a perfectly valid Canadian produced substitute is available?

No oil refiner would feel threatened in any way to be substituting an oxygenate like ETBE or ethanol or whatever for MMT. Some refineries are in the forefront of that change right now. He suggested refineries have been reporting they would have increased emissions. Did all refineries say that? Some refineries are a way out in front.

He referred to the pollutant nitrous oxide. NOx is the one pollutant whose quantity increases without the use of MMT or with the inclusion of an oxygenate, but it increases from what? What is the base line of the pollutant?

If the pollutant increase were 150 per cent it would still be incredibly small. How does that tiny increase in nitrous oxide emission compare with the decreases in all of the other emissions when one takes MMT out?

Maybe it is not fair to ask the hon. member to deliver statistics but I want to get on the record the fact that NOx, while it is an admitted pollutant, is not the big ticket item here. There are other things.

In terms of the minister's supporting the industry she has supported the petroleum industry very well and has been written up. Her support has been publicized.

Mr. Chatters: Mr. Speaker, the member opposite perhaps sheds some light on the mysterious position of the minister and the government on this issue.

I was under the impression the issue here was one of a problem with onboard diagnostic equipment and environmental protection. He raises the issue of perhaps finding a way to force the refining industry to use a Canadian product rather than an imported American product. Perhaps that has something to do with the position the government has taken on this issue. Others would find interesting under the free trade agreement with the United States that it would choose to do that. That was not my understanding as part of this issue.

Certainly the people who turn my crank on this issue are my constituents and the Canadian people who are being sold a con job, a fraud job on this whole issue because the environment minister and the government refuse to do independent studies on the issue and to gather independent unbiased information. They choose rather to accept solely without question all the evidence presented by the one stakeholder in the issue.

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, a couple of hours ago the Minister of the Environment indicated in the House her meetings with industry and the offers she made to industry in the period preceding the introduction of this bill. Was the member in the House when the minister spoke a couple of hours ago?

Mr. Chatters: Mr. Speaker, I certainly was in the House. I called into question her sincerity in offering to meet with all the parties involved in this issue. That is not my understanding of what has happened. I raised what I think is a valid question. According to my information, she consistently refused to meet with—

• (1530)

An hon. member: Oh, oh.

Mr. Chatters: I heard her and I questioned the validity of that remark. I think it is a legitimate question and I will continue to raise it.

She also raised a lot of other issues. I might point to the one concerning sparkplug failure. In a very emotional manner she raised the issue of Canadians having to change their sparkplugs 17 times more frequently than Americans. However in an independent, valid and verifiable study it was concluded that was an absolute fraud. One particular sparkplug failed 17 times more often than others simply because of a flaw in the manufacture of that sparkplug. It did the same with MMT or without MMT. It had no significance.

If I am not allowed to raise questions concerning the validity of the comments made by the minister, then what am I doing here? I believe my question was valid and reasonable and I will continue to raise it.

[*Translation*]

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, my support of Bill C–94 on the abolition of MMT in the gasoline we Canadians use every day comes out of a strong conviction.

For me it is not a question of backing this or that kind of production, this or that manufacturer.

[*English*]

I have no brief for the automobile industry nor have I a brief for Ethyl Corporation. That is not my business. I believe very deeply in the environment. I have always done so. I am convinced that the bill will go a long way to solving a very significant environmental problem relating to gasoline in our cars.

For me it is a question of pollution prevention. I have satisfied myself, not because I believe in Toyota, General Motors or any other company. Frankly I do not care.

Unfortunately there are more and more cars on the road. I wish we had cars that used ethanol, electricity and hydrogen rather than gasoline, but that is a fact of life. As long as there are cars the only way to ensure that they perform with the least damage to the environment is to ensure, first, that they are equipped with the latest technology and that they are inspected and maintained properly.

That is why all provinces across Canada have an inspection and maintenance service which ensures that the drivers of cars, especially older cars, go to inspection stations in order to verify that their cars are safe and sound for the environment. The idea of putting new technology on board the cars is to prevent damage before it occurs, to ensure that we have less need for inspection and maintenance stations and the cars will tell the drivers when the systems have failed.

I have satisfied myself that MMT does not help the systems. The manufacturers in Canada have said if we continue with MMT they cannot and they will not install the latest diagnostic systems in these cars. That is not hypothetical, it is a fact.

If we are conscious of the environment, and if we use a precautionary system, we have to make decisions in favour of what is the most environmentally and technologically sound decision.

• (1535)

Acting to ban MMT makes us uniform with the United States, paradoxically. The speaker before me was pretending that we should do exactly the reverse. He was quoting the Ethyl Corporation's many appeals to the United States' courts—which it eventually won—to force the EPA to permit MMT to be added again to gasoline.

I will correct the member because the EPA has still not agreed. Contrary to what the member stated, in August 1994 Mrs. Carol Browner, the administrator of the U.S. Environmental Protection Agency, indicated the EPA had concerns about the potential effects of manganese emissions on public health, especially in light of the broad exposure of Americans to car emissions.

A risk assessment on manganese emissions conducted by the EPA determined there were important unanswered questions about potential public health risks and that studies on health effects and exposures are needed.

The EPA has said: "Despite the appeals of Ethyl Corporation we want a risk and health assessment to be completed before we will okay MMT".

[*Translation*]

Some time ago, the Standing Committee on the Environment and Sustainable Development held environmental hearings where Ralph Ferguson, a former MP and colleague, gave testimony on the MMT issue. He raised a number of points relating to health. I know that they will tell us that Health Canada has found that MMT presents no significant problem for health. This is their decision. Still, according to many experts we ought to be very careful. I would like to quote from this hearing we had on the environment, where Mr. Ferguson spoke of a hearing that the American EPA had held on June 22, 1990. Helen Silbergeld of the University of Maryland and the Environmental Defence Fund gave the following testimony:

[*English*]

"Manganese, like lead, is a cumulative toxin in that both its absorption and retention as well as its toxicity increase with time".

[*Translation*]

She also cited well–known Canadian scientists specializing in neurotoxicity, Dr. John Donaldson and Dr. Frank Labella and others who have carried out experiments at the University of Manitoba on the manganese question. Dr. Donaldson also stated the following at that same EPA hearing in Washington:

[*English*]

"I believe that manganese is such an age accelerating toxin and I believe it is the answer to manganese's ability to produce biochemically, pathologically and clinically the picture that is very similar but not identical to Parkinson's disease".

[*Translation*]

Later on, the health and environment committee of the United States House of Representatives also appeared before the EPA. Its representative said:

[*English*]

"Like lead, manganese is not only neurotoxic, it is an element and thus does not degrade or lose its potency with the passage of time. As a result the manganese released into the environment through the use of MMT in a given year accumulates over time with all the MMT released in the next year and all subsequent years".

[*Translation*]

The University of Pittsburg, the Western Psychiatric Institute and Clinic, said the following in a report to the EPA:

• (1540)

[*English*]

The 15–page appendix to their waiver application, parlant de la corporation Ethyl, that deals with health, nowhere mentions

the newer toxic properties of manganese, nor does it attend to the extraordinary risks to the brain of alkali manganese compounds. This document cannot be taken as a credible submission in support of this application. It is incomplete, biased and tendentious.

[*Translation*]

That is why Ms. Carol Browner, the administrator of the EPA, said as recently as June 1994 that many health questions remained unanswered and that additional assessments were needed before MMT could be approved.

So there are potential problems. I am not saying that it has been proven 100 per cent or 50 per cent safe, but if we feel that caution must be a guiding principle in health and environmental matters, we must be very careful indeed. If we really believe in climatic changes and are convinced that cars are the main source of air pollution in Canada, it is because it is a fact.

According to a recent study by all deputy ministers of the environment in Canada, cars are the main source of harmful atmospheric emissions. These figures are quite striking. Gasoline–and diesel–powered motor vehicles account for 60 per cent of carbon monoxide emissions; 35 per cent of nitrous oxide emissions, which cause smog; and 25 per cent of hydrocarbon emissions. I know we will be told that MMT reduces nitrous oxide emissions.

[*English*]

As stated by my colleague very recently in a question to the Reform Party, what is the basis of that? Our studies show in the Ministry of the Environment that the way this figure is contrived, used in test cars of Ethyl Corporation, results in a completely insignificant factor when explained in actual ratio relating to all cars in Canada.

The gains produced by the use of onboard diagnostic systems in new cars are so much greater in proportion that the environmental advantages far outweigh any disadvantages by the removal of MMT.

We have been debating this issue since 1986. Contrary to what the member from the Reform Party said a few minutes ago, the minister not only sat with both sides but talked to the Ethyl Corporation directly twice on this issue, and as she stated very recently in the House, offered Ethyl Corporation this compromise: "I won't put legislation through if you will agree with me to produce one type of gasoline blend without MMT to let the consumers make their own choice". Ethyl refused this very fair and open compromise because it did not want to let the consumers judge.

I ask the members here who believe that Bill C–94 is not needed, why environmentally sound countries, leaders in the field, the Netherlands, Sweden, Norway, Denmark, Finland, Germany and Japan do not use MMT. How come it is only in Canada of all the countries in the world that is using MMT? Are we supposed to be the smart ones? The irony is that we do not even produce it ourselves. The Americans produce it but do not use it. Then we take the American product and use it on our own soil regardless of the fact that the rest of the world does not want any of it.

• (1545)

The Reform Party will suggest that we be uniform with the United States, co–ordinate so that MMT is used both in Canada and the United States when the EPA has been fighting tooth and nail for 18 years to ban MMT. The only reason they are now faced with the possibility of MMT being reintroduced is court case after court case after court case by Ethyl Corporation.

Does Ethyl Corporation care about the environment? No it does not care about the environment. It cares about its profits, about its existence. It cares about the Canadian market because it is the only market it has for selling MMT. If it was such a good product the Dutch, the French, the Germans, the Finnish and the Japanese would buy it to put in their cars but they do not want any of it. Why should we be the suckers?

Instead of defending Ethyl Corporation and MMT it is time that we started to think, as my colleague from London stated so clearly, about using our talents, our brains, our tremendous resources to use environmentally sound products. There are additives which are beckoning us. We could use ethanol in gasoline tomorrow morning and it would perform even better than MMT and is completely environmentally sound. It is time we started to use ethanol fueled cars, electrically driven cars, hydrogen fueled cars. I do not have any grief for the Ethyl Corporation which fights for MMT and goes back like the dinosaurs into the past. I want to see the future.

Bill C–94 points to a change of habit. It forces all Canadians to look at a different way of doing things and not to accept the dictates of a big corporation that only wants big profits and could not care less about the consumer or the environment.

I am an environmentalist. All I care about is quality of life and potential health dangers if it is slightly possible that there are health dangers. I have read these documents and they prove that there are significant health dangers. Many universities and many doctors of repute have said to beware. They said it about lead many, many years ago and we never believed them.

As a result of what I have heard and because of the weight of evidence I have read, I say let us go with Bill C–94. Let us change our habits and make our gasoline cleaner. Let us go to the new generation of fuels, the clean fuels, ethanol and the new energy patterns of electricity and halogen. Let us live more cleanly. Let us put the environment first. The automobile industry and Ethyl Corporation can come last. I do not care.

To Canadian consumers I say Bill C–94 is one step forward and I hope we all vote for it.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, members on this side of the House are well aware that, according to certain documents, MMT is said to be a dangerous pollutant, while other studies say that it has not been conclusively proven to be harmful.

The member for Lachine—Lac–Saint–Louis made comments about Ethyl Corporation which, over the years, has commissioned a number of studies on MMT. Consequently, I do not think it is appropriate to lash out at a company which, after all, did its homework. And if the courts made some decisions in favour of that company, it is because Ethyl Corporation did its homework properly.

As regards MMT, the problem is that the United States could reintroduce that product.

• (1550)

I am not saying that they will, but they are considering re–introducing it on the American market. Personally, I am just concerned that Canadian companies, including our oil companies, will have to make major and costly changes in order to stop using that product.

As you know, we agree with Bill C–94. Nevertheless, I ask myself this question, which I put to the hon. member opposite: Is this truly the right decision to make? Should we pass this bill that quickly, without knowing what the United States will ultimately decide?

Let us not forget that we live in North America. We could pass Bill C–94 only to find out two years down the road that the Americans are re–introducing MMT. In the meantime, we would have asked our oil companies to change everything so as to comply with this legislation. I am not convinced that MMT is harmful to our health. I have read studies. Ethyl Canada provided us with its studies and we also had discussions with the EPA.

We were told that it remains to be seen whether that product is truly harmful. Sure, we have to promote progress, environmental protection and sustainable development. We fully agree with that. However, we should wait for the decision of the Americans, because it is vital for us regarding this issue.

Mr. Lincoln: Mr. Speaker, I think the points made by the hon. member for Laurentides were very constructive and they are well taken. I agree these are important matters that must be dealt with.

After a lot of soul searching, we finally decided that Bill C–94 was the answer. There was a decisive factor. The United States is of course looking into the MMT issue, following a number of appeals filed by Ethyl Corporation. However, the EPA is dragging its feet. Until June 1994, the EPA administrator was fighting very hard, but in fact they keep asking for studies and health impact assessments.

The United States might reintroduce MMT and it would then become legal. It is quite possible, but meanwhile, it is up to us as Canadians to take the kind of action that may also influence our neighbours to the south.

Today, we are part of NAFTA which includes Mexico, and I think that we have to make decisions on the basis of their intrinsic value. We think that, today, Canada could add ethanol to gas. My colleague has done an extraordinary study of ethanol. Today, we have an ethanol industry in eastern Canada. We have one in western Canada. The United States, because of the legislation, is now getting involved in massive production of ethanol. I believe that they want 10 per cent of the oil industry to be ethanol–based by the year 2000.

It seems to me we should start making an effort to seek additives that are more environmentally sound. I realize there are arguments for and against MMT.

I think the weight of the evidence would support a new process: gas without MMT. What strikes me particularly is that none of the countries that enjoy an outstanding reputation for the quality of their environment—the Netherlands, Germany, Finland and the Scandinavian countries—none of them uses MMT.

If tomorrow morning one of these countries were to opt for MMT, I would think again. If the United States had opted for MMT because it was environmentally safe, I would reconsider. However, the EPA does not accept it because it wants to but because it was a legal decision. I think we should go ahead with C–94.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it seems to me this issue is not terribly unlike the issue of the ethics counsellor. We need to have some distance between the person who is making a judgment and the people who are directly involved.

• (1555)

What we have here are two studies being distributed by the principals of the dispute. We have a very strong reason to doubt the validity of the evidence.

I do most of my own mechanical work. I always have in order to save a buck or two. On Saturdays I change my own sparkplugs.

Not long ago I turned out the plugs on my car in order to replace them because they had 75,000 kilometres on them and I had never touched them. It stood to reason that by then I should be changing them. They were almost as good as new. I cleaned them up, regapped them and put them back in and finally replaced them at 100,000 kilometres.

The studies we are asked to believe say that these plugs will fail 17 times as often using MMT. I am in an environment where as far as I know there is MMT in our fuel. If that is really a cause of sparkplug failure then either I was the recipient of a miracle or the studies are not to be depended on.

I have a tendency to think that it is the studies that are not reliable because I have many acquaintances and I talk to many people and not a single person has complained to me of premature sparkplug failure. That is a sample of I do not know how many thousands of people. If that were happening I would have heard about it as the representative from Elk Island.

If we cannot trust this study in the area of sparkplugs, why should we then trust the same study when it tells us that it is very harmful to the environment and has all these other dangers? It may or it may not.

I do not believe these are to be trusted. That is why we need to call for a truly independent agency that is reliable and trustworthy to evaluate the merits or demerits of the use of MMT. Let us have the truth instead of a bunch of wildly stated causes and effects that may or may not rest in truth.

I ask the member why there is a reluctance on the part of the government to submit this to a truly independent study.

Mr. Lincoln: Mr. Speaker, I have always considered that in these questions the government is there to make decisions after it evaluates both sides of a story.

The feeling is that only the automobile industry's case has been studied but that is not correct. I have letters from the deputy minister. There are evaluations made by the Minister of the Environment completely, impartially and objectively, including the minister's commitment to the Ethyl Corporation to suggest to Ethyl not to go with legislation, that the minister would prefer to have a compromise on this issue between the two industrial groups concerned and suggesting and offering to Ethyl to produce one type of gasoline without MMT to let the consumers judge and compare.

That is fair. It is objective. It is impartial. It is a fact. I know the minister made this offer. I know that this offer was turned down because Ethyl Corporation today has a solid market with MMT that it does not want to give up. It is a monopoly.

If Canada turns down MMT, there would be no MMT sold anywhere around the world. That is a fact. As I said before, if it is so good for cars why is MMT not used in the fuels in all the countries that are just as sophisticated as we are? I find that very strange. I am convinced the step we are taking today is a step forward for the environment.

• (1600)

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, for the last number of years I have been involved along with the former member from London, Ralph Ferguson, in pushing the issue of better acceptance and more use of ethanol, one of the alternate octane enhancers to MMT.

I believe we were very close to passing, if we did not pass in the House in the last Parliament, a private member's motion to accept ethanol as a replacement for MMT. There was a lot of support at that time for replacement of MMT for many of the reasons the parliamentary secretary has outlined for us today.

At that time we were not made aware of the EPA's requirement to review the whole question of MMT because of the court ruling. However, one of the things we were trying to use at that time from the farm production point of view was the fact that ethanol was a very good replacement. It was renewable and at that point there was a surplus of grains, the source of ethanol, and they were very cheap.

Could the minister tell us what the economics of ethanol production have become? I know I have one of the larger ethanol production units in my riding. It is concerned about the sudden increase in the cost of inputs. Grain prices have more than doubled since the time that Ralph Ferguson introduced his bill.

Will this change make a sizeable change to the cost of gasoline because the ethanol may cost more than the MMT and what will the economic costs of such a change be? Has the Department of the Environment looked at the new costs of ethanol given that the raw material going into ethanol production, namely grains, has virtually doubled or more over the last three or four years?

Mr. Lincoln: Mr. Speaker, I do not have these figures with me at present. I know the ministry and others, including several MPs here, have made extensive studies on ethanol and the cost of ethanol as an additive. I will commit myself to make these figures whatever we have available to the hon. member as soon as possible.

[*Translation*]

Mr. Milliken: Mr. Speaker, I think that you will obtain the unanimous consent of the House to revert to the presentation of committee reports.

The Acting Speaker (Mr. Kilger): The House had heard the motion of the hon. parliamentary secretary. Is there unanimous consent?

Some hon. members: No.

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure to speak on Bill C–94 to ban the importation and interprovincial trade of MMT.

The bill is fascinating but for the duplicity inherent in the process of how the bill came about. MMT is methylcyclopentadienyl manganese tricarbonyl, an additive to unleaded gasoline, an octane enhancer. It reduces nitrous oxide emissions and makes gas burn a lot cleaner.

Nitrous oxides when released are the primary cause of smog which causes respiratory problems in a great number of people within our country, in particular those suffering from asthma and chronic obstructive pulmonary disease.

The minister tried to ban MMT but found she could not do it. MMT has proven not to be a hazard to people's health. She tried to find some other way of getting MMT out of Canada by putting forth this bill to ban the trade of MMT which in effect is a ban on MMT in this country.

• (1605)

It has been demonstrated through Health Canada which has looked at MMT that this was a perfectly benign substance for the people in the country. Therefore there is no scientific ground to ban MMT.

Let us take a look at why is the minister doing this. Before the minister put the bill forward MMT was made the Ethyl Corporation. The Motor Vehicle Manufacturers' Association claimed MMT has been destroying its on board diagnostic computers which no doubt are very important to keeping cars burning cleaner so we can all have a healthier environment. No one would dispute having OBDs.

However, we dispute having one view from the manufacturers of automobiles saying MMT destroys its OBDs and one view from the Ethyl Corporation which says it does not. The Ethyl Corporation supports this view through studies done by an independent environmental protection association. It has proven conclusively, contrary to what the Deputy Prime Minister said, that MMT does not affect on board diagnostic computers. In spite of this the minister has proceeded with this ban.

We can see this is clearly not an environmental bill. Health Canada has even shown MMT has not been deleterious to the health of Canadians. However, it has been proven—

Mr. Milliken: Mr. Speaker, on a point of order, I hesitate to interrupt the hon. member but I think there is now unanimous consent that I put these motions which are somewhat urgent because I understand there are committees waiting for and depending on these.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

HOUSE COMMITTEES

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 85th report of the House Standing Committee on Procedure and House Affairs on the list of members of the Standing Committee on Environment and Sustainable Development, as well as the list of committee associate members.

[*English*]

If the House gives its consent I intend to move concurrence in this almost immediately.

[*Translation*]

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I propose, seconded by the Chief Government Whip, that the 85th report of the Standing Committee on Procedure and House Affairs presented to the House today be concurred in.

[*English*]

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

(Motion agreed to.)

Mr. Milliken: Mr. Speaker, I move that the names of the following members be added to the list of associate members of the Standing Committee on Procedure and House Affairs: Mr. Proud, Mr. Richardson, Mr. Solomon and Mrs. Ur.

While I am on my feet I thank the hon. member who was speaking and all hon. members for their co–operation in seeing these routine matters dispensed with this afternoon.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to.)

GOVERNMENT ORDERS

[*English*]

MANGANESE-BASED FUEL ADDITIVES ACT

The House resumed consideration of the motion that Bill C-94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances be read the second time and referred to a committee.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, this is clearly not an environmental bill. MMT has proven not to be deleterious to the health of Canadians. I quote from the Deputy Prime Minister's own press statement demonstrating our commitment to protecting the environment. It had nothing to do with that but everything to do with protecting the auto manufacturers' industry.

• (1610)

Before the bill came about both the Ethyl Corporation and the vehicle manufacturers' association were under negotiation to solve this problem outside of the House. They were close to making a decision. Then the minister came forward with this bill and the auto manufacturers, knowing they would get a response in their favour, understandably backed away. Sure enough this bill rather than solving a problem is muddying the waters. That is unfortunate. We would not be wasting House time with the bill if we had let nature take its course.

We have requested an independent third party to review MMT to determine if it damages onboard devices. If it does we have two options. We need to look for an alternative to MMT or we need to change the onboard devices and work out some agreement with the private sector.

The minister noted that MMT has been banned all over the world and Canada is the only country still using it. I bring to the attention of the minister that last year the U.S. district court of appeals said MMT could again be used in the United States. Therefore while we are pursuing a course to ban MMT the United States will now allow its use. Why are we engaging in this behaviour?

The Minister of Industry wants one unified gasoline for the entire continent. Why are we pursuing a course which would take us into a different type of gasoline when the United States is trying to bring back gasoline which contains MMT?

This is telling us there has been an abuse of power. We have seen legislative shenanigans and the government is favouring one group, the automobile association. That is reprehensible.

I hope the Deputy Prime Minister will take the mature course and ask for an independent study, as my friend from Elk Island has requested. That study would give us the answers we require and it would serve the people of Canada and the environment well. It is fundamental for us to get these answers not only for the citizens of Canada but for the environment.

If we remove MMT the minister must lay out another plan. She must be aware that nitrous oxide content would actually increase in the emissions from cars by up to 20 per cent or more, which would greatly increase health hazards to Canadians. Having seen many people with pulmonary diseases, that is grossly unfair.

She also spoke about having two types of gasoline in Canada. Quite frankly that is a fantasy. Why do we not have one gasoline, the best and the cleanest, which we could responsibly and cost effectively use, that would be fair to both sides, the auto manufacturers and the petroleum corporations?

I ask that we act together on this issue. It is not an issue of one side against the other. It is an issue for all Canadians and for the country.

I also strongly suggest that in the area of transport there is much which can be done by new technology. Fascinating advances have been made in making cars and other vehicles burn cleaner and safer. Much of these technologies have not been brought forward in an aggressive fashion. I believe we can take a leadership role in promoting these very substantial discoveries and bring them to the forefront. It is the responsibility of the House to bring them forward in order for them to become a practical reality for all Canadians.

• (1615)

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I thank the member for Esquimalt—Juan de Fuca for his comments.

I would like to get his opinion on a couple of suggestions we have put forward. What does he feel would be served by having a completely independent study done by an independent agency, for example something from the National Research Council, to study independent of the automakers or the Ethyl Corporation whether this MMT stuff actually does any harm? Is there a need for that? Is there a need to have a completely independent study? If so, is the National Research Council perhaps the group that could perform that?

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, my apologies for getting up prematurely. It was such a good question from my friend that I could not resist it.

To echo basically what my colleague, the hon. member for Elk Island, just said, the reason we are asking for an independent study is that the Deputy Prime Minister brought forth a slew of papers, all

of which were from members of the Automobile Manufacturers Association. They are very interested party in this debate, but in fact they are one side of this debate.

What we can do is determine whether or not the studies that have been put forth are legitimate, sound, scientifically based studies. If they are, then we should believe them. If they are not, if there is any question whatsoever, then we definitely need to have an independent third party to do the study. We cannot have a member or a group as intimately associated with the question at hand—a combatant in this debate—to decide what is true and what is not. That is why we in this party are asking for an independent review, an independent group to do this. Perhaps the National Research Council or some other group could do this. The important point to remember is that it must be an independent party that is not intimately associated with either the Ethyl Corporation or the automobile manufacturers association.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I ask this question because I do not hear the question coming from the opposite benches and I think it is an important issue.

After we have heard all of the discussion about using ethanol as a substitute for MMT, given that the two products are equally effective and setting aside the argument of whether one is better for the environment or not, I ask my colleague to tell the House why this government would not choose to ban MMT in favour of ethanol in gasoline as an octane enhancer.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, I thank my hon. friend for the interesting question on ethanol.

Ethanol is a very important additive, but it unfortunately requires a government subsidy in the order of eight cents per litre in order to get to market. That would be an enormous cost to the government, and during these times of fiscal restraint we would not advocate in any way, shape, or form that the government put more money into this and spend more money. It would cost billions of dollars to do this.

This party has been very emphatic about prompting and encouraging scientists and researchers in the country to come up with a more cost effective way of making ethanol and other fuel additives so we can have automobiles burn fuel more cleanly.

• (1620)

We have always been strong advocates for the research and development sector in the country because it is one of the pillars that will enable our country to be highly competitive in the future to create economic niches for longlasting, high paying jobs.

I encourage the government to continue to support the research and development sector, which does some fantastic things in the country. We must not lose sight of the fact that it is a pillar that will enable us to be economically competitive in the future.

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, I am always intrigued by how hard things die. Here we have a situation where a product has been on the market and it was discovered nearly 20 years ago that there were problems with it. It was discovered about 10 years ago in Canada by the Ministry of the Environment that there were some problems with it. Now there is an alternative.

I do not blame the vested interests that keep promoting these things, but the fact is that it has taken a long time for reality to set in and for life to take its course, as it should.

I would like to go back a little in terms of the history of fuel additives. In about 1928 it was discovered that tetra-ethyl lead added to gasoline would enhance the octane and provide some upper cylinder lubrication to engines. It was called the anti-knock compound and was produced by the Ethyl Corporation. At the same time another body of equally distinguished scientists and chemists promoted the idea of ethanol in gasolines. As a matter of fact, Henry Ford had been a strong advocate of ethanol. His first Model T ran on pure ethanol.

The debate raged through the 1930s and finally lead won out over ethanol. It is an interesting story. According to the information I have, the Du Pont Corporation owned and controlled the Ethyl Corporation of America and it also held 24 per cent of General Motors' stock. Consequently, General Motors became a promoter of lead. In 1929 Ford stopped putting extra jets on carburettors so that ethanol could be burned. That is not the only story like that in history.

When I was a young person spraying the apple trees at our home farm, I used arsenical to kill grubs and worms. It was discovered during my early teenage years that arsenic really was a heavy metal and it was not very nice to spray on trees and on the ground. Finally, by the time I got to agricultural college a solution had been found to the problem—mercurial. Mercurials were going to be the be all and end all. It was not for many years, too many for me to admit to, that industry realized that products used in these areas have to be biodegradable, able to return to the soil from whence they originate. The same realization is slowly coming with our fuel additives.

We went to lead. It was discovered that lead really was not what we wanted to be spewing around into the environment in ever increasing quantities. When government decided to take lead out, a substitute was found, which was going to be the miracle replacement for lead. It was another heavy metal, methyl manganese. There are a lot of $10 words following that one that I am not prepared to repeat.

• (1625)

For almost a generation we have realized that there are some difficulties. The people who support one side of the case and the other side of the case make their stories, but we know now that there is a better substitute. There is a substitute.

My friend from Athabasca felt that one of the motivations of the government was because the product ethanol could be manufactured in Canada. That has not been a motivation of the government. It is one of my motivations, because I believe that a Canadian ethanol industry has potential to be one of the great things for Canadian agriculture.

Since the government did its little arrangement about a year ago, about $300 million has been committed in Ontario alone for ethanol development. If ethanol were to replace MMT at the rate of 10 per cent in Canada, it would take approximately 10 investments of the size that are taking place in Ontario right now in order to fill that need. One can see that there is great potential.

The cost of ethanol has been raised, and it is a very legitimate argument. What about the cost? The cost of grain is increasing at the present time, and of course grain is a cyclical thing.

The answer to that is twofold. One is that the cost of grain is not the only factor in determining the cost of ethanol production. There are byproducts. If we are making ethanol from wheat, gluten and some of these other things are important products and they are important in the economics of the ethanol industry. If we are making it from corn, corn oil, distillers grains, distillers solubles and so on, they are also very important byproducts and they are quite meaningful when we are calculating the cost.

The other part of the cost equation is not just eight cents, which was the excise tax on ethanol. The cost of any fuel is not just the direct cost. The cost of a shovelful of coal is not whether you are going to pay 30 cents or a dollar for that shovelful of coal. It has to be looked on as the whole cost. What is the cost of the impact on the environment? There is a dollar attachment to those things now. Things can be costed. I think I once saw the word monetized. When you have emissions into the environment, they carry with them a real cost, a real impact cost.

When we talk about substituting ethanol in gasoline for MMT, the actual cost of the ethanol itself is not the true cost. The injection of MMT and the cost of MMT is not the true cost. The whole costing is what is really important here.

If we have a product like ethanol that will result in certain reductions in emissions, which are positive, I think of carbon monoxide and carbon dioxide emissions. Carbon monoxide is touted to be reduced by about 20 per cent or 25 per cent and carbon dioxide by approximately 15 per cent.

Then we get to the cost of nitrous oxide, which tends to offset that to a certain extent. Look at the figures when looking at the emissions, because nitrous oxide is the smallest of all the emissions. It is very tiny. If we were to increase the nitrous oxide emissions by 150 per cent, we would still be looking at 150 per cent of zip. However, it is the only emission that increases in this whole scenario.

A comment was made about looking for one type of gasoline. I am not sure how that is evaluated. There are about four types of gasoline on the market right now. Most of them are based on octane. One of them is based on whether or not there is an ethanol additive which is presently increasing in interest and usage. About two years ago there were 50 outlets selling gasoline containing an ethanol additive. Right now there are 500 and the prognosis is that there will be 5,000 within the next two years.

• (1630)

The oil companies should not be the least bit concerned about enhancing their product with ethanol versus MMT. The kind of raw product they produce is a little different. The vapour pressure of the two is different but that is really where it ends. In terms of a public relations gesture they should be able able to say that they are striving for a cleaner product. Here it is a cleaner product when they used ethanol instead of MMT.

I do not blame the Ethyl Corporation for wanting to protect its turf. One of the things I would say to a company like the Ethyl Corporation is that there is a time when one has to put the past by and move on into the future. If I were that corporation right now I would be looking very hard at producing ethanol, ETBE or whatever in order to get into a more modern mode.

We cannot spend our whole lives trying to hang on to the past forever. Some refineries have already made the switch to ethanol. I do not know whether my friend from Athabasca buys gasoline at Mohawk outlets, but the Mohawk adopted this some time ago and promoted it in Ontario.

Sunoco is refining ethanol gasoline and does it because it considers it to be good business. In Canada it should be considered good business.

We are starting to use grain to produce ethanol and it is helping agriculture. That will become a base line now. As science and technology and research and development continue in the production process the next natural move is into cellulosic waste, sawdust, wood waste and so on. That technology is known now. It is being done commercially in France but it is not competitive yet. When it is competitive in Canada, it will be more competitive probably than ethanol from grain. That is only a few years down the road.

What we are dealing with here is simply the conflict between moving on to something that is better and finally putting past us something we have been hanging on to for nearly two decades. According to what I know we are the only country left using

MMT. Even tiny Bulgaria considered using MMT and turned it down for whatever reason. We have every reason to get on with the modern age and let things move.

The automobile industry is supporting it for its own reasons. Whether or not those studies are correct it is amazing that all the studies the automobile companies did were independent unto themselves and they all came to the same conclusion. That is very interesting in terms of emission controls or the monitoring that reads the emissions and indicates whether or not the emission control system is working properly. Canadian citizens deserve to have on their cars the most modern emission control systems as can be manufactured and researched. I do not think we want to accept second best in order to continue on the importation of this manganese product in our gasoline.

• (1635)

My humble submission is we should get on with the job, allow the past to go by and get on with the future.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, it was an interesting presentation.

I would certainly agree with the member's presentation if it were a level playing field. If independent studies could show me reliably that MMT is harmful to the environment and ethanol could be produced in competition with MMT without government subsidization and the industry could stand on its own, then I would accept his argument as realistic. In that case we certainly should go ahead, but exactly the opposite is true.

The ethanol industry is not a viable industry in today's technology. Some day it may be and good for it if it is. Certainly the other side of the argument is that MMT has not been proven to be harmful to the environment. The endless studies done by the Environmental Protection Agency in the United States have stated that it is not harmful to the environment. In Canada the Minister of Health states that it is not harmful to the health of Canadians. By banning it we raise the levels of nitrous oxide. By banning it through the extra refining processes that must be done to obtain an equal octane rating in gasoline the refineries have to substantially raise the emissions of CO2 and benzene.

The argument that it is a product of the past and we have to move on because it is so harmful to the environment and we should spend tax dollars to subsidize the ethanol industry is a false one.

Mr. Reed: Mr. Speaker, one of the member's colleagues brought up the question of waiting until the United States made its final decision and so on regarding the future of MMT. I should just point out to him that in the United States the tax relief on ethanol gasoline has doubled what it is in Canada. They gave it a leg up.

In the United States 39 cities mandate the use of gasolines containing ethanol for environmental reasons. This is because of what is called ground level ozone.

My colleague, the hon. Deputy Prime Minister, talked about ground level ozone. Some people believe it is not a problem in Canada and that it really does not exist. If we divide the ozone emissions into the square footage of Canada it is not a problem. It does not exist. However, if we take the area of metropolitan Toronto, the Ottawa valley, Montreal, Vancouver or southwestern Ontario it is a serious problem. It was a problem this last summer with ozone warnings that stayed with us for a number of weeks. The previous year I believe it stayed on for two weeks.

There are real reasons that we might want to give an industry a leg up. In this case it is not subsidy but excise removal. We can worry about the semantics of it but the most industrialized country in the world has seen fit to promote ethanol this year. In 1995, 45 new ethanol plants are being built in the United States. There is only one reason for that. It wants ethanol as an additive. In the United States right now 8 per cent of all gasoline has an ethanol additive. That is pretty substantial when we consider that the whole thing began very few years ago.

• (1640)

An hon. member: They will be bringing back MMT.

Mr. Reed: We do not know whether the U.S. will bring back MMT but ethanol is a superior product notwithstanding that it will be manufactured in Canada in quantity. I do not think Canadian farmers would dismiss that out of hand and say it will not help them if MMT remains. They want ethanol gasoline. In southwestern Ontario farmers are clamouring for ethanol gasoline from dealers who do not normally handle them at all.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the hon. member says there is nothing wrong with giving an industry a leg up. That strikes at the heart of the bill. This bill has nothing to do with the environment; it is really an industry issue.

If the government wants to ban MMT just because it wants to ban it, then why does it not say so? If the object is to do that, then go ahead and do it. What annoys many of us is that this is being done under the pretence of an environmental clean up. That is the excuse which has been given. All that we can do is ban the cross–border traffic of MMT because there is no health reason to ban it. I wish the government would be honest and say that it decided to do it because it wants to do it. At least that would be honest if not prudent.

As an example, why is it that Ford and GM in their 1996 models make no mention at all about MMT or the effect it has on the onboard computers?

This has nothing to do with the environment. This has to do with a decision of the government to ban it for reasons known mostly to the Deputy Prime Minister. It is not a health issue. It is not an arsenic issue, the example which was used earlier. This is a decision of the government to do it for reasons other than the environment. It is really an industry issue. If the government wants to promote ethanol, as the hon. member mentioned, then the Minister of Industry could do that. I do not know why the Minister of the Environment is picking on this issue when it is not an environmental or health issue.

Mr. Reed: Mr. Speaker, the argument that it is an economic or an industry issue is mine. It is one I have put to the House. I have put it to the House proudly because I believe that a crossover into ethanol will be a leg up for agriculture and the economy of the country.

The decision of the Minister of the Environment was based first on evidence of what was happening in the United States. Why would the EPA mandate gasoline containing ethanol in 39 cities? There is quite a wealth of evidence coming down to demonstrate that in the United States at least it was believed there was a problem. This country was faced with this conundrum long before the current government took office.

There is some counter evidence, which might or might not prove valid, but where do we stop the study process? Everything could stand more study. I do believe that a great deal of independent study has been done, so I do not know what independent study would be acceptable to my hon. friend.

An hon. member: You will not do one.

Mr. Reed: No, and you know why.

The Acting Speaker (Mr. Kilger): Order. I was made aware earlier by the hon. member for Halton—Peel that he is some distance from the Chair, but I am at the same distance and I would not want to be forgotten. I urge all members to direct their interventions through the Chair.

Mr. Reed: My apologies, Mr. Speaker. There is a terrible temptation to get carried away at this end of the House. I am going to have to get stronger glasses to see you.

• (1645)

I hope I have answered the question as well as I can. The evidence was that this was a legitimate cause for concern. It has been aided by the automobile companies, that admittedly will not reveal their sources because of commercial confidentiality. Apparently the statement by the Deputy Prime Minister was leaked. However, it gave us the opportunity to say Here is the evidence as we know it and in the name of cleaner air we should act on it.

The Acting Speaker (Mr. Kilger): Before we resume debate I would like to make the House aware that five hours have lapsed from the beginning of second reading. We will now go to the next stage of debate in which there will be straight 10–minute interventions without questions or comments.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I am sure my colleagues will be very sad to know that I only have 10 minutes, but I will try to confine my remarks to that period of time.

I know many Canadians watch the debates in the House of Commons, odd as it may seem, and I remind them we are now debating Bill C–94. The name of the bill is an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based products. That might not seem like a very gripping title. It sounds quite innocuous, quite routine and regulatory. However, the bill raises issues of which Canadians ought to be made aware and we on this side of the House are doing our best to raise those issues and to bring them out in the public debate.

The manganese product in question, the subject substance of the bill, is MMT. MMT is short for some long scientific name which probably none of us can pronounce or would want to. It is really an octane enhancer for unleaded gasoline. We all know that most of our vehicles use unleaded gasoline. We want to get the maximum mileage because it saves us a few nickels here and there. Therefore all Canadians should be quite interested in anything which enhances the octane of gasoline and MMT does that.

However, the Minister of the Environment now wants to prevent this product from being imported into Canada and does not want it to be traded as a common product across interprovincial borders. It is very interesting the way this dreaded product is being handled. Is this sudden concern on the part of the environment minister about MMT, this octane enhancer, because MMT is unsafe or dangerous? If it is, we certainly want to know. We do not want it floating around in the air and soaking into our fingers when we gas up our cars.

MMT is not dangerous. The minister will not ban the product outright. It will not even be labelled as unsafe. One wonders why the environment minister, since the product will not be banned as unsafe or labelled as unsafe, is mixing into this. It is very strange.

Surely if the product has been determined to be unsafe or if it causes injury, then it should not be readily available to the public. If that is the case, then why is the product not being banned?

Under the bill MMT can still be manufactured in Canada. A manufacturer could potentially set up a plant to produce MMT in every province of the country and not be breaking the law, since Bill C–94 merely prohibits the interprovincial trade or the importation of the substance.

The obvious question to be asked is: Why this bill at all? My hon. friend opposite just spent a great deal of time talking about ethanol. Maybe the conclusion we should draw is that MMT is being banned so that somehow ethanol producers can have a bit of an advantage and not so much competition from MMT. I do not know. We are not being given any answers to those speculations. However, the question is really puzzling because the substance has not proven to cause any harm to Canadians at all.

We have an environment minister who certainly should be concerned about environmental pollutants, environmental hazardous substances, and yet there is no hazard here. Nothing has been shown to cause any harm to us. This has been demonstrated not just by American studies, which I suppose we could dismiss, but a 1994 study by Health Canada found that MMT is not harmful to Canadians.

• (1650)

What is really happening here? We suggest the Minister of the Environment has dragged the government into a dispute between manufacturers of MMT and the automobile manufacturers in the United States. These manufacturers have plants and provide jobs in Canada. Some of those jobs are fairly close to Ottawa.

As we have heard, there are some suggestions that MMT in unleaded gasoline causes the onboard diagnostic systems in our modern computer chip driven cars to malfunction. Automobile manufacturers, therefore, want MMT banned. They are not being very specific about the data on which they base these allegations. They are holding it quite close to the vest. Some has been leaked. Therefore, because of a few allegations and suggestions and some leaked data we are now rising to the occasion and making sure that our onboard diagnostic systems are protected. I suggest that is not really a function of a highly paid environment minister.

The evidence is sketchy. It is inconclusive. The manufacturers of MMT have produced evidence that shows that their product is not harmful and does not cause the problems in question. Not only does it not harm the environment, does not harm Canadians, it does not even harm our cars, our onboard diagnostic systems.

However, that evidence is not good enough. The car manufacturers are saying: "We have a big problem". The two parties talked and one side said: "You are causing a problem" and the other side is saying: "No, this product does not cause a problem. We will have scientific studies done by experts that we both respect, who have credentials that we can both accept and we will get to the bottom of this".

In spite of that very sensible suggestion, before it could be carried out, before the independent expert advice could be sought, the minister jumps in and says: "I am going to come down on the side of the automobile manufacturers and I am going to decide that MMT should be banned", for reasons which do not seem to be very specific and certainly are not very persuasive. We object to this.

We agree with the submissions that have been made from the other side that Canadians are tired of problems being studied to death. However let us look at the situation. Has this been studied to death? We have had very sketchy and unspecified evidence on the part of the automobile manufacturers. We have heard allegations from the industry people who are producing MMT. We have no independent reports except Health Canada saying that there is no danger or harm from the substance. That is not studying the subject to death. This bill has been put in place willy–nilly without proper thought or evidence, without any proper reason. We object to that. We do not think that is how a government should run things. We do not think that is how decisions should be made and we certainly do not think this is an area in which the environment minister should be involved.

A ruling in the United States in June concluded that the tests on the impact of MMT that had been done were inconclusive. Presumably the Americans do have some experts worth listening to. Therefore, the ruling was that the substance ought not to be banned. Others have alluded to the fact that this will very likely result in having MMT again approved for use in unleaded gasoline in the United States as an octane enhancer.

The end result of all this is the Minister of the Environment is taking unwarranted action on an issue that should have been, would have been and could have been settled by the concerned parties themselves.

There is a lot of concern about the impact of this legislation. There is a lot riding on the bill in both of these sectors, the manufacturers of both the vehicles and MMT.

• (1655)

The provinces have also demonstrated real concern about this. Ontario, Alberta, New Brunswick and Nova Scotia have all expressed concerns that any replacement of MMT might actually impair the air quality in our communities.

Mr. Speaker, I move:

That Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances be not now read a second time, but the order be discharged, the bill withdrawn and the subject matter thereof referred to the Standing Committee on Industry.

The Acting Speaker (Mr. Kilger): The amendment is in order.

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I would like to speak to the amendment of the member for Calgary North.

One of the things about the House that concerns me is how many of us become experts in certain fields in which we do not know anything.

Members of the Reform Party have said they want to cut taxes, they want to cut the deficit and this kind of stuff. Here they are asking us to go to the National Research Council, hire a group of scientists to work for the Ethyl Corporation and do all the work that corporation is supposed to do. We have all these automotive manufacturers, BMW, Volkswagen, Volvo, Saab, Lada, Jaguar, Land Rover, Mercedes Benz. The list goes on and on.

I will speak about how a car actually functions. We are talking about an octane enhancer. The octane rating is a unit of measurement established by the automotive industry to determine the action of variable fuels. In the laboratory is an engine with a variable compression ratio and various substances, gasoline, stoichiometric and some of these additives are added. At the point where it knocks—at 100 per cent it does not knock—the enhancers put into the gasoline are reduced.

Why do they do this? They want the combustion process to be predictable. Mr. Speaker, if you have ever driven a car and turned the ignition off and the engine still was running this is called after–runner or dieseling. What you have is the gasoline reaching so high a compression ratio that it explodes by itself. We do not want that happening in our cars. We want to trigger it when we turn the ignition on, getting a spark from the sparkplug. When we turn the ignition switch off we want the spark to stop and the engine to shut off.

What happens in a modern car with all this onboard diagnostic equipment? Starting with a PCV valve, exhaust gas recirculation, the use of a catalytic converter, a sophisticated combustion chamber design and raising the temperature of the engine by using higher thermostats is a sophisticated modern engine where we are trying get a stoichiometric mixture of 14 pounds of air to 1 pound of gasoline.

● (1700)

We want that condition all the time. We want a good spray in the combustion chamber. We want a certain amount of turbulence and we want the predictability so that when that gasoline explodes at a certain point in the cycle, when the piston is travelling down a particular angle, the maximum pressure is built up.

This is done by antiknock. For instance, if one went to a modern car, took a hammer and hammered on it, if the timing light is used the spark will retard when that happens.

These cars are very sensitive. The bottom line is that they have these onboard diagnostic pieces of equipment. The onboard diagnostic piece of equipment is a way of refining the entire combustion process from start to finish making sure the contaminants that come out in the air do not pollute the atmosphere.

That is what the Minister of the Environment is trying to do. The Minister of the Environment has said if there were no onboard diagnostics on cars in Canada but available in the United States, Canadians would get a inferior product to their counterparts in the United States. We would be actually manufacturing the cars in Canada and exporting them to the States while we are using cars with obsolete technology.

Study after study by the automotive manufacturers has said MMT interferes with diagnostic onboard pieces of equipment and causes them to foul up. It causes them to trigger warning lights. It causes them to take the car under warranty which in turn would cost more money for the car.

These cars are supposed to go well over 100,000 kilometres without these parts being replaced or without some major clogging up of the complicated three way catalytic converter.

What has the Government of Canada done? The Minister of the Environment went to the manufacturers and went to the Ethyl Corporation and said solve the problem and they could not solve the problem.

If the Ethyl Corporation feels so strongly that its product is so good, let it take the risk. Do not ask us to go to our National Research Council and use our researchers to prove its product is good or bad. Put it in sample cars and prove it. The idea that there is a court case in the United States is a sham because the Americans have not been using MMT for 17 years.

There is still a ban. It is not legal to buy MMT in the States and the Environmental Protection Agency has said it has to go through that series of tests which are so important to environmental protection. It has to go through that thumb print required by any fuel additives that have certain restrictions which have to be met.

Hydrocarbon emissions, nitric oxide emissions and all these things are calibrated through an acceptable level which cars have to go through in order to make sure they pass the test.

We have an automotive industry of which we use 10 per cent and 17 per cent is exported. It is important to get into the new model year. The minister had to act and she acted.

I do not see why any of my colleagues being lobbied by the Ethyl Corporation are trying to tell the government side that we should be spending any more money.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, it is a privilege to speak to the proposal of my colleague to refer this Bill C–94 to the Standing Committee on Industry to examine it further.

During today's debate we have fairly firmly established that the decision on the government's behalf to ban MMT is not an environmental decision at all but a decision made by one of the most political of our ministers, the Minister of the Environment.

It is interesting that years ago she made news by jumping over a table to confront a Conservative cabinet minister. Perhaps she feels she has not been in the news enough lately so she is tabling Bill C–94 to attempt to show that she is doing something about the environment. Obviously it is a purely political bill.

Bill C–94 is a bill which would ban the importation and interprovincial trade of MMT. It is interesting the Liberals have no reason to ban MMT on environmental reasons. This is why they cannot ban it. They can simply prohibit interprovincial trade of it, which of course has the same effect.

It is a shame they do not come out and say as a policy of the government under industrial diversification or whatever that they want to claim they are going to ban it. This would be the honest thing to say. It is not based on the environmental criteria.

• (1705)

Again it was interesting today when the environment minister quoted extensively from all the reports she has seen, none of which she will table in the House of Commons. They are all classified or secret or whatever.

If she would agree to an independent study or table the study so that everybody could have a look perhaps we could believe the purity of her motives. As it is now, because she will not table it, because she will not have an independent study, it raises the question of the sincerity of the minister on the environmental impact of it, especially in light of some of the other studies on what the EPA has said that MMT does not cause or contribute to the failure of vehicles to meet applicable emissions standards required by the U.S. clean air act.

The clean air act is much more stringent than our own. It is unfortunate that she has used this as a political statement of some sort. It is really to her detriment that she continues to push this idea instead of referring it to the committee on industry where it could be properly studied so we could get some scientific reason why MMT is good or bad.

On November 30, 1993 the EPA determined MMT does not cause or contribute to the failure of emission control systems in automobiles and the courts on April 14, 1995 ordered the EPA to grant a temporary waiver of its ban on MMT to a private company that wants to market it again. The EPA, which I do not think is anybody's lapdog, has said it has no reason to prohibit MMT and will allow it again into the United States.

The United States is almost at the point where it will once again allow MMT in unleaded gasoline at the very time when Canada is trying to ban it.

The Canadian Petroleum Products Institute said its industries will not remove MMT unless there is conclusive proof the additive is harmful to the environment, which was one argument, or that it causes the onboard diagnostic computers to malfunction.

It is willing to move on that if the proof in either of those departments is forthcoming, but there is no such proof. The opposite is true. In December 1994 Health Canada published a study which said there is no health risk from MMT, and therefore the minister cannot ban it. All she can do is try to stop it from being transported.

In order to enhance the octane in gasoline refineries will have to substitute something else. What will that be? We have heard some arguments on both sides and one of the things could be an unpronounceable chemical additive called MTBE which will cost refineries some $50 million to change over to and will cost an extra $25 million every year to make the switch, not an insignificant drop in the bucket.

The higher prices will be passed on to the consumers at the pumps. The Minister of the Environment should also have included in her portfolio the minister of gas, not only for the political nature of her remarks but also for her notable contribution to the higher gasoline prices if this bill continues.

Even more ironically the new substance which will replace MMT is also known to cause increased pollution even while the substance she is banning has been determined to be safe by Health Canada. Her own officials say banning MMT will increase nitrogen oxide emissions by a full 20 per cent. Nitrogen oxide is the stuff that increases ground level ozone which makes the lives of people with lung problems a little harder to bear.

The Minister of the Environment, who also could be called the minister of gas, could be the minister of lung problems. Not only does it point out her normal tendency to rash comment but it also highlights her contribution to worsening an already serious air pollution problem in Canada.

If the banning of MMT hurts people and the environment, and if the American EPA says an MMT does not hurt automobile emission systems, what could be the real motivation behind the minister's introducing such a bill?

The obvious reason is purely political. Is it the lobbying efforts of the powerful automobile companies? Is it a weak minister who, when she is confronted by a powerful group in central Canada, buckles even though there is no evidence from her own department that this is causing serious harm.

• (1710)

The minister should remember she is a national minister who is supposed to look out for the entire country and that all parts of Canada will be affected by her decisions.

We all know the producing fineries are located mostly in western Canada and therefore western Canada will bear most of the costs. The big car manufacturers located near the minister's riding will not have to spend any more time or money trying to figure out what is wrong with their faulty on board computers. They will not have to justify their opposition to MMT on scientific or technical grounds but merely lobby really hard and hope the minister supports them, which apparently she does.

I wonder what the Minister of Natural Resources thinks about the bill. I mentioned earlier today on a different subject that I have been quick to applaud the Minister of Natural Resources when she has stood up for industry and when she has made decisions based on sound, scientific evidence. However, I wonder where she is on this matter. I would dearly like to ask her whether she agrees with the intent of this bill and whether she is willing to sell out the industry she represents so the minister of gas and lung problems can protect her own political turf. Is the minister really fighting for her industry at the cabinet table or is she losing out to the political heavyweights sitting across the cabinet table?

I am waiting for the Minister of Natural Resources to announce her own feelings about this bill. I want her to come out and say why on a scientific basis she thinks MMT should be banned. I would also like her to come out forcefully and either support or argue with the Minister of the Environment on those issues.

I hope the Minister of Natural Resources does want to represent all of the producers in this country, not just the automobile producers, but the people in the resource industries who are asking, as is the minister of the environment in, for proof as to why MMT should be banned.

The media release I have is from a respected international brokerage firm, the Solomon Brothers, with strong research capabilities in this sector. Talking about the EPA rulings in the United States:

> We continue to strongly believe that the rule of law will prevail in this case and not some half baked EPA policy stance. In other words, MMT will get a full green light by year end.

The firm used the term half baked. We could use the same term to refer to Bill C–94. It is a half baked political attempt to appease some groups of people, although I am not sure who. The environment minister seems ready and willing to turn her back on her own portfolio which is to protect the environment for all Canadians on a technical and scientific basis.

How ironic that even while the U.S. is moving forward on this issue Canada is furiously back pedalling. I encourage the Minister of the Environment to back pedal in one more way and do what she knows is the right thing and refer this bill to the committee of industry where it can have a detailed study and hearings on it to bring it to a proper scientific conclusion.

[*Translation*]

Mr. Denis Paradis (Brome—Missisquoi), Lib.): Madam Speaker, I am pleased to speak to Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese–based substances, and in particular to the motion now before this House to adjourn the debate as proposed by the hon. member for Calgary North.

I feel it is important not to delay the debate under way. We cannot keep putting off indefinitely environment issues. Matters as important to our future as the environment cannot be postponed endlessly. But before talking about the proposal to adjourn the debate on this crucial matter, I would like to say a few words about some general environmental issues that deserve our attention.

This morning, we debated in this House a bill to amend the Auditor General Act, which provides for the appointment of a Commissioner of the Environment and Sustainable Development reporting to the auditor general and requires departments to develop environmental strategies to be laid before the House.

• (1715)

Environmental matters are always a little less tangible than issues such as finance, revenue or day–to–day management. I used to sit on the public accounts committee and the auditor general often came to explain or question the regular management of various government departments. Regarding the environment, however, I think it is important for the government to be concerned about the environment, about the future of all Quebecers and Canadians.

Environmental issues transcend borders. Some examples come to mind. In my riding, we have one, in fact two international lakes, namely Lake Memphremagog and Lake Champlain, about which we are having environmental difficulties with our American neighbours.

It makes us realize that not all problems are resolved with borders. Agreements must be reached with neighbouring states. Over the summer, I participated in discussions with our neighbours in Vermont and people in Washington to try to resolve an

environmental problem affecting Lake Champlain. I think it is important for neighbours to make an effort to understand one another and ensure that future generations on both sides of the border, in Canada as well as in the U.S., can agree in future.

In that sense, I do not see the use of having borders sprouting up all over the place in terms of the environment. With NAFTA, with the World Trade Organization, we are now in an open economy and the same should hold true for the environment.

As far as this bill is concerned, I think we should move on this, and not in six months time. There have been enough studies. I think that the government should go ahead with this bill.

I mentioned earlier how important the environment is to this country. I would like to share with you more of what I have learned during the summer. We witnessed this wonderful co–operation between the federal, provincial and municipal governments across the country. I am referring to the infrastructure program which had an impact on the environment in Quebec. Some communities got funding from the infrastructure program to build a water treatment plant. The program helped promote environmental projects in several sectors.

I want to go back to the importance of the decisions which have to be made today, not tomorrow, to preserve our future. As you know, when a decision is made concerning the environment, it costs money. However, it may be better to pay today than to be blamed by future generations for not having acted quickly enough regarding the environment.

This is important for our safety. There is the ozone depletion, as well as all the problems with our lakes and rivers, pollution problems. We have to act immediately and this is what the government intends to do. It wants to take immediate action, so that our future generations can live safely.

We must also look at the impact on the industry sector. By acting now, the government prompts the industry to develop, produce and export new technologies and products. The environment is a promising sector for our engineering firms, our industries, our producers, our exporters, and everyone else. For that reason, we should not let the debate go on and on. We should look at this bill right now.

Earlier I alluded to the debate that took place this morning regarding the auditor general and the new commissioner of the environment and sustainable development.

• (1720)

I think that this act, which seeks to regulate interprovincial trade in and the importation for commercial purposes of certain manganese–based substances, shows that this government is a good government. This is a good government's program. It is a program which makes people realize that environmental safety is important. It is important to all Canadians today and it is also important for future generations. Such an initiative does solve the real issues, even though it may not do much for hypothetical questions such as where will the border be located, etc. We are together in this country and we work together to find solutions to the real issues that confront Canadians. This is what is important.

There has been co–operation on environmental matters between the Canadian government and the provinces. To mention only two instances, under the previous Quebec government, the Liberal government, the environment minister at the time, Pierre Paradis, and the present Minister of Environment of Canada, Ms. Copps, signed a number of agreements. The plan for the St. Lawrence, for instance, referred to as Vision 2000, and the agreement between the Government of Quebec and the government in Ottawa on the St. Lawrence. The St. Lawrence starts in the Great Lakes. Everything is interrelated. So these agreements are extremely beneficial for Quebec and for Canada, for present and future generations. It is important to have this co–operation between the federal government and the provincial governments.

Ten months later we had a second agreement, an agreement with the pulp and paper mills, an agreement signed by the Government of Quebec and Ottawa. Incredible. We have not had many environmental agreements since the separatist government came to power, but we have had an agreement between Quebec and Ottawa on environmental matters. This bill, sponsored by the Minister of the Environment, makes me proud to be a Canadian, to be a member of a generous and sharing society, a society that is open and secure.

We live in a system that is evolving. We should let it evolve. Let there be new agreements and new ways of sharing. Let us also ensure that Canada, which, according to a UN report, ranked first on quality of life and, according to a report by the World Bank published yesterday, is the second richest country in the world, let us make sure that in the future, this country keeps up the good work through its environmental programs, as we have done in the past and will continue to do so.

[*English*]

Mr. Bill Gilmour (Comox—Alberni, Ref.): Madam Speaker, I am pleased to have the opportunity to speak on the motion to amend Bill C–94, an act to ban the importation of MMT.

My colleague, the member for Calgary North, proposes to withdraw Bill C–94 from second reading and refer the matter to the Standing Committee on Industry. I support this motion, because when we look at the facts it will become very clear that the banning of MMT is clearly an industry issue, not an environmental issue.

This bill revolves around an industry dispute, a dispute between the Canadian Motor Vehicle Manufacturers' Association, the MVMA, and the Canadian Petroleum Producers Institute, the CPPI. It should be referred to the Standing Committee on Industry.

The environment minister has Bill C–94 on a fast track through the House on environmental grounds, but there is no impartial evidence to support this approach or the minister's supposed environmental claims. That is the reason we are debating an interprovincial ban on MMT, as opposed to environmental concerns.

It concerns me that after a review of legislation proposed in Bill C–94 and of the scientific evidence or lack of scientific evidence presented both in support of the bill and in opposition to it, I am still left with one question: Why is the government proposing to ban MMT?

In the last session I asked the House to lay out the facts that support this proposed legislation. I am still waiting for those facts to be presented, which leaves me asking the same questions and drawing the same conclusions. The minister's decision to ban MMT is purely political. The minister's decision has been influenced by the MVMA.

• (1725)

The MVMA wants the minister to ban MMT because it claims that MMT is responsible for problems with onboard diagnostic systems. However, there is a problem with this claim. Automakers are experiencing the same problems in the United States, where MMT is not in current use. Given this fact, and without any impartial evidence, it is difficult to understand how equipment problems could be the result of MMT's presence in Canadian gasoline. We have two different cases.

There are many things that do not make sense with this bill. For example, it is difficult to understand why this government is proposing to ban a substance when research has shown that removing MMT will increase vehicle emissions that cause smog and poor air quality by up to 20 per cent.

Over the last decade Canadians have worked hard to reduce emissions of nitrogen oxide to meet international and domestic commitments to improve air quality. While we have been successful at freezing NOx emissions at 1987 levels, and we have pledged to do so with the OECD, can we now afford to consider increasing NOx emissions by 50,000 to 60,000 tonnes a year? This is what will happen by removing MMT from gasoline.

The government has yet to provide any answers regarding what will replace MMT in gasoline. MMT is the only fuel additive that has been scientifically proven to reduce emissions of NOx. Alternative fuels such as ethanol also benefit from addition of MMT, so this will affect their performance as well. Without MMT ethanol puts NOx into the atmosphere, but when MMT is added to a 10 per cent solution of ethanol blend it reduces emissions of NO_X by 30 per cent.

In addition, the minister has failed to address what the health impacts of banning MMT will be. Air pollution can be a threat to public health and health costs. NOx is one of the leading contributors to formation of urban smog. Scientific testing has demonstrated that without MMT, emissions of NOx will increase by 20 per cent over current levels. That means additional production of NOx every year, which would be equivalent to adding a million cars to our roads.

Despite the environmental and health evidence, the environment minister still echoes the concerns of the MVMA that MMT in Canadian gasoline is causing problems for the onboard diagnostic systems in the new model American cars. The minister says she wants to ban MMT so that consumers will not have to pay $3,000 or more for their automobiles next year. However, there is no scientific evidence to support this claim. These claims were made by the MVMA's counterpart in the United States, and the U.S. court of appeals has determined they were totally unfounded. In addition, automakers are having exactly the same problems with OBDs in the U.S., and MMT is not currently used, so it cannot be the MMT that is causing the problem.

The environment minister has also stated that if vehicle manufacturers carry through on threats to remove OBD systems the result would be a tenfold increase in vehicle emissions. The OBD system does not reduce emissions. OBDs are monitoring systems, which provide drivers with notification by a dashboard light of a potential problem that could increase emissions. Removal or disconnection of the onboard system would prevent the dashboard malfunction light from illuminating, but it would not have the direct result of increasing emissions.

It concerns me that the minister does not appear to understand the function of these onboard systems, especially as she cited this as one of the major reasons for banning MMT. The environment minister also indicated that she has received studies from the MVMA that illustrate that MMT is the cause of onboard failures. I find this most interesting. If these studies exist, why has GM recently announced that it plans to conduct tests in the U.S. to determine the effects of MMT on the onboard systems?

* * *

AUDITOR GENERAL ACT

The House resumed consideration of the motion that Bill C–83, an act to act to amend the Auditor General Act, be read the second time and referred to a committee.

The Acting Speaker (Mrs. Maheu): It being 5.30 p.m., pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred division at the second reading stage of Bill C–83, an act to amend the Auditor General Act.

Call in the members.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 332*)

YEAS

Members

Adams	Alcock
Anawak	Anderson
Arseneault	Assad
Assadourian	Asselin
Augustine	Bachand
Barnes	Beaumier
Bélair	Bélanger
Bélisle	Bellehumeur
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Bethel	Bevilacqua
Bhaduria	Bodnar
Bonin	Bouchard
Boudria	Brien
Brown (Oakville—Milton)	Brushett
Caccia	Calder
Campbell	Canuel
Caron	Catterall
Chamberlain	Chrétien (Frontenac)
Chrétien (Saint-Maurice)	Clancy
Cohen	Collenette
Collins	Comuzzi
Copps	Crawford
Crête	Culbert
Dalphond-Guiral	Daviault
de Savoye	Debien
Deshaies	DeVillers
Dhaliwal	Discepola
Dubé	Duceppe
Dumas	Dupuy
Easter	Eggleton
English	Fewchuk
Fillion	Finlay
Flis	Fontana
Gaffney	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Gallaway	Gauthier
Godin	Graham
Gray (Windsor West/Ouest)	Guarnieri
Guay	Guimond
Harb	Harvard
Hickey	Hopkins
Hubbard	Ianno
Irwin	Jackson
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Landry
Lastewka	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	Lefebvre
Lincoln	Loubier
MacAulay	MacDonald
Maclaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchand
Marchi	Martin (Lasalle—Émard)
Massé	McCormick
McGuire	McKinnon
McLellan (Edmonton Northwest/Nord-Ouest)	McWhinney
Ménard	Mercier
Mifflin	Milliken
Mills (Broadview—Greenwood)	Minna
Mitchell	Murphy
Murray	Nault
Nunez	Nunziata
O'Brien	Pagtakhan
Paradis	Paré
Parrish	Patry
Payne	Peters
Peterson	Phinney
Picard (Drummond)	Pickard (Essex—Kent)
Pillitteri	Pomerleau
Proud	Reed
Regan	Richardson
Rideout	Rocheleau
Rock	Rompkey
Sauvageau	Scott (Fredericton—York—Sunbury)
Shepherd	Sheridan
Skoke	Speller
St-Laurent	St. Denis
Steckle	Stewart (Brant)
Szabo	Telegdi
Terrana	Thalheimer
Torsney	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Ur
Valeri	Vanclief
Venne	Verran
Volpe	Wappel
Wells	Whelan
Wood	Young
Zed—183	

NAYS

Members

Abbott	Ablonczy
Althouse	Axworthy (Saskatoon—Clark's Crossing)
Benoit	Blaikie
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast/Sud-Est)	Chatters
Cummins	de Jong
Duncan	Epp
Frazer	Gilmour
Gouk	Grey (Beaver River)
Grubel	Hanger
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Harris	Hart
Hayes	Hermanson
Hill (Macleod)	Hoeppner
Jennings	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest/Sud-Ouest)
Meredith	Morrison
Penson	Ramsay
Ringma	Schmidt
Silye	Solberg
Solomon	Speaker
Stinson	Strahl
Taylor	Wayne
White (Fraser Valley West/Ouest)	Williams—48

PAIRED—MEMBERS

Blondin-Andrew	Dromisky
Duhamel	Fry
Jacob	Lalonde
Langlois	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Robillard

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried. Accordingly, this bill is referred to the Standing Committee on the Environment and Sustainable Development.

(Motion agreed to, bill read the second time and referred to a committee.)

[*English*]

Mr. Milliken: Madam Speaker, I think you might find unanimous consent to call it 6.30 p.m.

The Acting Speaker (Mrs. Maheu): Do we have unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): It being 6.30 p.m. the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 5.59 p.m.).

HOUSE OF COMMONS

Wednesday, September 20, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

ORANGEVILLE NORTHMEN

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, I would like to take the time today to extend my congratulations as well as those of the people of Orangeville and Dufferin county to the Orangeville Northmen, the Canadian Junior A lacrosse champions.

I cannot remember a lacrosse team that has so dominated its competition, winning its second Minto Cup in three years. The Northmen, their coach Terry Sanderson, general manager Bob Clevely climaxed a phenomenal season winning 35 of 36 regular season games and all 16 of its playoff games.

It was a truly astounding 1995 season. I wish to indicate my appreciation to the young men who represented Orangeville, including first year Captain Rusty Kruger who won the most valuable player award for his play during the Minto Cup.

My thanks to the Orangeville Northmen.

* * *

[*Translation*]

OFFICIAL LANGUAGES

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, this federal government, the one parading about on every possible platform to vaunt the merits of bilingualism in Canada, is totally thumbing its nose at francophones by shamelessly flouting its own language policies.

For example in Beijing the Quebec women participants, although making up one third of the Canadian participation in the NGO Forum and the World Conference on Women, ran up against application of the Official Languages Act. They were invited to the Canadian embassy for an information session aimed at facilitating their contact with China and ensuring their security and then were briefed in English only, not once but twice.

These francophones, like those in the federal public service, know full well that, when we are francophones, our rights exist only on paper and in the speeches of federalist politicians. Is that what this fine great country of Canada is all about, Mr. Speaker?

* * *

[*English*]

REFORM PARTY OF CANADA

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, Atlantic Canadians have had nothing but one bad catch of politicians after another. Both the Liberal and Tory catches have been a miserable failure for Atlantic Canadians but there is hope. There are more than two fish in the sea. There is a new underutilized species that is proving to be a bountiful catch, the Reform Party of Canada.

In Ottawa the Liberal Atlantic Canada MPs have been gutted by their own government and cannot speak out on behalf of their constituents for fear of being left to rot on the docks.

Now there is a new stock of people committed to standing up for Atlantic Canadians. That new voice for Atlantic Canadians is the Reform Party of Canada. The Reform Party wants to hear from all Atlantic Canadians who wish to see the east coast returned to its former prosperity.

The old school is dying and the time for change is now. The catch of the day in Atlantic Canada is the Reform Party of Canada, always fresh and definitely the best choice on the menu.

* * *

CANADA

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, this summer I had the privilege of visiting eastern Canada after almost 25 years.

My family and I travelled throughout the beautiful province of Quebec, a diamond in the jewel we call Canada. My children were amazed to see all the quaint townships nestled among the rolling hillsides. They will never forget the experience of seeing their geography books come alive.

We continued our travels through picturesque New Brunswick, beautiful Nova Scotia and the pearl of the Atlantic, Prince Edward Island, the cradle of confederation. Unfortunately time constraints did not allow us to visit Newfoundland. These smaller but no less important jewels of our country represent along with Quebec the essence of what makes Canada the greatest country in the world in which to live.

We are all extremely fortunate to live in such a vibrant country. I and all my colleagues specifically those on this side of the House must do everything we can to ensure that Canada stays a united country.

* * *

BIG BROTHERS OF CANADA

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, the month of September is Big Brothers Month.

Big Brothers of Canada provides boys from father absent homes with a male role model and a friend. There are 180 Big Brother agencies from coast to coast. Unfortunately, most of them have waiting lists that are almost as long as their list of matched bothers.

Nationally the organization has 9,000 young boys who have been matched with older volunteer brothers and a waiting list of 7,000 boys. In London, Ontario there are 119 matches with a waiting list of 100. That means 100 boys between the ages of 7 and 12 can only hope that they will be matched with an older brother whom they can look up to, spend time with and talk to.

It is today's reality that many children are being raised by single parents but organizations such as the Big Brothers and Big Sisters agencies help to fill the void. During this special month we recognize and thank the Big Brothers volunteers who have helped to make a difference in the lives of many boys simply by giving them the gift of time.

* * *

JESSE DAVIDSON'S JOURNEY

Mr. Joe Fontana (London East, Lib.): Mr. Speaker, I would like to pay tribute to a courageous young man from London, Ontario, Jesse Davidson.

We all know that Jesse paid his respects to the House yesterday along with his family. Jesse is afflicted with Duchenne muscular dystrophy and is confined to a wheelchair. He, his father John and his family have been travelling across the province raising money for gene research.

Their brave journey began at the Ontario–Manitoba border on May 20, 1995 and ends today, September 20, in Ottawa. They have travelled over 3,300 kilometres and have raised over $700,000 toward scientific research of gene based disorders.

It is through efforts like these that cures are found and dreams are realized. Their days have been long and miles many, but their dedication and commitment has never waned.

This courageous endeavour exemplifies how hard work and devotion can improve the lives of fellow Canadians. That is the mark of a great Canadian caring for others.

I would like to congratulate Jesse and all the dedicated team members behind Jesse's journey for their outstanding efforts and congratulate each and every member who participated.

* * *

CHILD POVERTY

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, I rise today to speak for a group of constituents in my riding of York—Simcoe and indeed from across the country who cannot vote. I am standing here today to speak for the children of Canada.

There are 1.5 million Canadian children living in poverty. Children are poor because their parents are poor. Sixty–four per cent of children living with sole support mothers live in poverty.

Canada has been declared the second wealthiest nation on earth. We have the resources in this country to improve the lives of our youngest citizens. I urge the government to turn its attention to the crucial issue of child poverty in Canada.

* * *

[*Translation*]

USE OF CANADIAN DOLLAR

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, economist Bill Robson of the C.D. Howe Institute stated yesterday that a sovereign Quebec could keep the Canadian dollar. He also said that when a country renounces its own currency it accepts having others make its decisions for it.

His position is therefore in the same vein as that of the Prime Minister of Canada who stated on December 9 1994 that "there is nothing to stop a sovereign Quebec from using the Canadian dollar if it so chooses". The Prime Minister went on to say "—but it will have to pay the price and will have no more say in setting monetary policies". What cynicism.

First of all, it is good to see that Mr. Robson and the Prime Minister have understood Canada could not prevent a sovereign Quebec from using the Canadian dollar. However, what both choose to ignore is that Quebec has no say at the present time in the conduct of monetary policy. If they listened to the Finance Minister of Canada, they would also understand that Canada's huge debt does not leave it much leeway at all in its own monetary policy.

[*English*]

ATLANTIC CANADA

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, last week all 52 Reform members were in Atlantic Canada to spread our vision for Atlantic prosperity.

The Reform vision sees the region's economy thriving again, just as it did at the end of the 19th century, by re–establishing the trade links they once had with the New England states. We call this trading area of 15 million people Atlantica.

• (1405)

Now that we have NAFTA and almost no tariffs at the border, trading opportunities have multiplied. To take advantage of these opportunities Atlantic Canada needs a new approach. We think that tax relief, elimination of internal trade barriers and better north–south transportation and information links will be far more effective than regional development grants.

Let us look at creative ways of giving Atlantic Canada what it really needs, then watch the region prosper and regain its full economic potential. Let us revitalize, not subsidize.

* * *

ABORIGINAL WAR VETERANS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, aboriginal war veterans have been seeking recognition and respect for their service to Canada for many years. Earlier this year a special Senate committee studied aboriginal war veterans' grievances and concluded that the federal government owed these veterans something more than the indifference that they have been shown all these years.

This summer the Saskatchewan Indian Veterans Association said it was not satisfied with ceremonial recognition and is intent on securing a satisfactory compensation package to remedy the injustices done to them.

Today I ask the federal government to review the Senate committee findings and to meet with the Saskatchewan Indian Veterans Association to work out an acceptable agreement to the ultimate benefit of Indian veterans and their families.

* * *

THE NORTH

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, this is a time of rapid change in northern Canada. Many of the changes, such as the demise of the Soviet Union and increased pollution are making life tougher for northerners, but some of the changes are more positive.

We now have an ambassador for circumpolar affairs. The presidency of the Inuit Circumpolar Conference serving Inuit in Canada, Russia, Alaska and Greenland has returned to Canada. The new territory of Nunavut is on track. It looks as though the ministerial forum on the Arctic environmental protection strategy will become a full eight nation Arctic council to more effectively co–ordinate polar affairs.

Northerners need the support of the rest of Canada more than ever before. Let us bear this in mind as we downsize and streamline government. The north needs special services. It has special research and environmental needs. Canada has a special obligation to the people of the north polar regions and through them to the globe.

* * *

[*Translation*]

QUEBEC REFERENDUM

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, last week, the Leader of the Opposition told us about his own concept of democracy, when he said that a yes vote at the referendum will mean yes, whereas a no vote will mean that Quebecers made the wrong decision.

Separatists have the nerve to demand that federalists accept Quebecers' decision, even though they have no intention of doing the same should the no side win the referendum.

The Bloc leader's comments will not be taken lightly, because Quebecers are fed up with hearing about the constitution, while there are other issues and challenges which have to be faced in our country.

In spite of the PQ and BQ shenanigans, Quebecers will not jump in the lobster crate, as Mr. Parizeau would have them do.

Sooner or later, separatists will have to realize that even though their question is confusing, the answer will be clear: it will be no.

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THE ECONOMY

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, the Prime Minister claims he wants to deal with real issues. However, his government refuses to discuss unemployment, job creation and economic growth during the referendum campaign.

Moreover, the Minister of Finance refuses to appear before a committee to explain to Quebecers and Canadians why there has been no net increase in the number of jobs over the last nine months, as well as why economic growth has been stagnating for the last six months, which is the worst performance among all G–7 countries.

Let us talk about the real problems. After originally announcing its intention to reform the old age pension, UI and GST programs, the government has been postponing these initiatives

for two years now. Let us talk about these issues now, because the government is waiting until after the referendum to cut billions of dollars in social programs. What a way to deal with the real issues.

Mr. Speaker, you can count on the Bloc to talk about the real problems throughout the campaign.

* * *

[*English*]

ATLANTIC CANADA

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, during my stay as an MP I have been rarely surprised but after returning from the Atlantic provinces I was shocked. I was shocked because in this beautiful country of ours where we uphold democratic rights as a pillar of our society, maritimers told me how these rights are being trampled under the boot of this and previous federal governments.

• (1410)

Through patronage and handouts, the government holds the livelihood of maritimers over their heads. As a direct result of this heavy-handed approach they are afraid to find out about other political parties for fear of losing their jobs, not getting a promotion or being discriminated against. This is the profound impact of years of Liberal and Tory government handouts.

Is it any wonder that a minister from the maritimes is responsible for awarding government contracts? The stench of political patronage hangs high over the maritimes and it must not be allowed to continue. They are looking for a change and Reformers will give them that change.

* * *

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, the alleged guarantee the separatists claim to have regarding the automatic inclusion of an independent Quebec in NAFTA just got it in the neck with the release of a study by professor Ivan Bernier, which the secretariat of minister Le Hir attempted to keep secret.

Hon. members will recall that the PQ deputy premier told *Le Soleil* on December 24, 1994: "As Quebecers, we are already covered by NAFTA as it is. And Quebec, taking over from Canada, could contend that it should not be subject to admission procedures but rather succession procedures".

According to professor Bernier, an expert in these matters, this will not be possible and there will be delays and negotiations. The people of Quebec are finding out once again that the promises made by separatist spokespersons are unfounded and that they prefer to hide the truth rather than face the facts.

* * *

STUDIES BY INRS

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, Quebec separatists are hiding the truth from the people of Quebec on the real economic impact of separation. This is the conclusion one is led to given the PQ government's attitude, that purposely decided not to release three of the studies conducted by INRS researchers because the findings were not to their liking.

The Institut national de la recherche scientifique du Québec, under which these studies were carried out, issued a release stating that while the secretariat may have perceived the revised version of each report as containing certain deficiencies with regard to the mandate, the INRS is of the opinion that the studies carried out by its researchers are valid.

The separatist coalition has just demonstrated that it is prepared to resort to any trick, including hiding the truth, to get a win for the yes side in the upcoming referendum.

* * *

CANADIAN CHAMBER OF COMMERCE POLL

Ms. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, the Canadian Chamber of Commerce has just released the results of a poll of the business community across the country. This poll indicates, among other things, that two thirds of business leaders in Quebec think that the economic health of the province will suffer if it were to separate from the rest of Canada.

Other major findings include the fact that Quebec businesses consider it more important to be able to deal with other provinces than with foreign countries and expect the interprovincial trade agreement that took effect in July to benefit them even more than businesses in other provinces.

This poll only confirms what everyone is thinking. There is no real economic benefit to separation and Quebec separatists should stop deluding Quebecers with all kinds of promises.

ORAL QUESTION PERIOD

[*Translation*]

QUEBEC REFERENDUM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, to everyone's surprise, the debate that has been going on in this House since Monday is not between sovereignists and federalists.

• (1415)

It is even more fundamental than that, since a line has been drawn between those who respect the democratic right of Quebecers to determine their future and those who deny them that right. Through the fault of the Prime Minister and his irresponsible attitude, Canada is now divided between democrats and those who no longer are democrats. This man, whose career has been dedicated to stoking the fires of discord between Quebec and Canada, has now launched an attack on what united us so far, our common democratic heritage.

Mr. Speaker, I want to ask the Prime Minister: We knew for some time that, given a choice between Canada and Quebec, he chose Canada, but are we now to understand that, if forced to choose between democracy and federalism, he will choose federalism?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I answered all those questions yesterday and the day before. I even quoted from René Lévesque's program, in which he mentioned the concept of a referendum as consultation, the need to respect the laws and constitution of a country and the need for a clear majority.

As Daniel Johnson said in the National Assembly, we are not about to divide Canada following a judicial recount to see whether there is one vote more on one side or the other.

Obviously I want a genuine debate on this problem because it is clear that the Leader of the Opposition and his leader in Quebec City, Mr. Parizeau, are hiding the truth from Quebecers. This morning in the National Assembly, they were once again unable to explain why studies by Professor Bernier, stating that it was "unrealistic" to have a partnership with the rest of Canada, were kept under wraps.

Could the Leader of the Opposition tell me whether he agrees with Professor Bernier when he says: "I think some of my conclusions were not politically acceptable"? He added that it was not his intention to write to please the reader. He said that a partnership was "unrealistic and an illusion".

Does the Leader of the Opposition agree with the tactics of his leader in Quebec City, Mr. Parizeau, which consist in keeping documents under wraps and asking professionals to act less than professionally for the partisan purposes of a lost cause?

The Speaker: I may suggest that during Question Period we expect some answers as well. That being said, the Leader of the Opposition has the floor.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, perhaps people ask questions when they have no answers.

Aside from that, does the leader of the government not realize that, although he has this anti–Quebec obsession, his first duty as Prime Minister is not only to protect democracy but to set an example by respecting it? I am not optimistic, however, since this is the man who forced a constitution down the throats of Quebecers.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, what we expect from the Leader of the Opposition and his leader, Mr. Parizeau, is that during the remaining four and a half weeks, they tell Quebecers the truth.

Why will they not admit that in this document they want to keep under wraps, Professor Bernier clearly indicated that a separated Quebec's accession to NAFTA would not be easy to achieve? Why did we ask this professor to say publicly, to serve the cause, what the facts are: that it will not be easy? In fact, he was not alone. A few months ago, the ambassador of the United States made it clear that the automatic admission to NAFTA of a possibly independent Quebec would be very complex.

So these are the real questions for those who have to prove their case. The Leader of the Opposition and his leader in Quebec City are the ones who want to separate Quebec from Canada, not us. The onus is on them to tell Quebecers the truth, and I hope they will have the courage to do so during the next four and half weeks.

• (1420)

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, this is first and foremost about democracy. Coming from someone who came to power with 41 per cent of the popular vote in Canada and 33 per cent in Quebec, it takes a lot of nerve to deny Quebecers the right to determine their future with a majority of more than 50 per cent.

Does he not realize that the people of Quebec do not need his or anyone else's permission to determine their future and that to be rid of this kind of arrogance is one reason why Quebec will vote yes?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is nothing arrogant in what I say. I want Quebecers to be informed. How can the Leader of the Opposition give Quebecers the impression they will keep their Canadian citizenship, their Canadian passport, Canadian currency, and an economic and political union with Canada, when studies prepared by their own experts and paid for by Quebec taxpayers tell them this is impossible? Let him tell Quebecers the truth.

Quebecers know me very well. I am a proud francophone—

Mr. Loubier: Yes, they know you.

Mr. Chrétien (Saint–Maurice): Yes, they know me very well. I was elected to Parliament nine times by the people of a riding that is 99 per cent francophone. And they know perfectly

well that across Canada I made it clear I was proud to be a francophone, a Quebecer and a Canadian.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Prime Minister is taking great care to answer the questions put to him by the Leader of the Opposition to give him a second chance, because Quebecers know him and remember him.

The Prime Minister's attitude toward honouring the result of the Quebec referendum strangely parallels his behaviour in 1982 at the time of the unilateral patriation of the constitution, when, for the first time, he made a mockery of democracy.

Is the Prime Minister aware that, by refusing to agree to honour the result of the Quebec referendum, he is creating a dangerous precedent by taking a step no Canadian Prime Minister before him has dared take?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the debate in Quebec City will adjourn at four o'clock this afternoon. The members of the Parti Quebecois and its leader, the Premier of Quebec, will have to vote on an amendment proposed by a member of the National Assembly in which the question will be very clear: Do you want to separate from Canada? Yes or no.

This question was probably taken from the Parti Quebecois agenda at the time of the election, when the Premier himself was saying: "We will ask a clear question: Are you in favour of sovereignty for Quebec on—", followed by the date. It is very clear. As I said two days ago, they will have the opportunity to be really honest with the public and say clearly that they want separation. But again today they will keep the question ambiguous in order to keep the truth about separation from Quebecers.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in addition to making compliance with the result of the Quebec referendum dependent on his choosing the question, which of itself is no easy task, the Prime Minister used the opportunity to make his Minister of Labour change her mind by twisting her arm. He made Daniel Johnson change his mind by twisting his arm. He tried to get the leader of the third party to change his mind by twisting his arm.

Can the Prime Minister tell me this? Just how far will he go in trying to subvert democracy? How far exactly?

• (1425)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, they are according me a lot of power. As far as I am concerned, I have clearly stated that the Prime Minister of Canada cannot agree to independence from Canada as the result of a simple majority vote plus one on an ambiguous question. Come on!

As William Johnson said in *The Gazette* this morning, under proposed legislation, a two–thirds majority will be required to dissolve a hunting and fishing club in Quebec.

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): I am not saying it would take a two–thirds majority, I am saying—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): No. Listen, what I am saying is that I see them using a double standard once again. Let us be honest. Tell Quebecers as you told the Americans: "We are separatists". Then you will really have to face the music.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in the referendum campaign Quebecers are being told by the separatists that a no vote means passively accepting federalism as it is, but many federalists, including 52 of us in the House, believe that no can mean both no to separation and no to the status quo, that no can be the word that opens the door to a changing federalism without amending the Constitution, without special deals, but with Quebec as part of the national family.

What is the Prime Minister going to do, besides doing nothing more vigorously, to make sure that when Quebecers vote no it means more than simply accepting the status quo?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I see a smile on the face of the leader of the Reform Party. I did not break his legs or his arms yesterday. We had a very civilized discussion. We did not agree on everything, but we would be surprised if some day we were to agree on everything.

However I agree today with him that change can come to Canada without changing the Constitution. It is what we are trying to do all the time. He says that we do not need to have a long constitutional debate. That is fine. We are trying to always find new ways to do things in this federation and we will continue to do that. We have made a lot of changes and we will make a lot of changes in the future. Canada is evolving all the time.

When I became a member of Parliament the federal government was spending two–thirds of the public money. Now we are down to around 40 per cent. The rest is spent by the provinces and the municipalities. Of the 40 per cent a big part is to pay the interest on the debt accumulated by the Conservative government.

If the leader of the Reform Party, who used to be a Social Credit person, can give me a way, in printing money or something like that, so that there will be no more debt, our share of the pie will go down.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we have heard all of that before, but it is not strong enough and clear enough to be a real asset to the no side. While many Quebecers will vote no because they reject separation, others will vote no only if they believe there is a groundswell of support for changing federalism in Canada.

There is such a groundswell and unlike Meech and Charlottetown it is coming from the bottom up, not the top down, and its key feature is a demand for real decentralization: greater control over health and social services by governments close to the people.

• (1430)

If the Prime Minister wants a no vote as badly as we do, a big no vote, will he do something concrete in the next 30 days to recognize the demand for decentralization throughout Canada, including Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the burden of proof is not on those who believe in Canada at this moment but on those who want to destroy Canada. They are the ones who have to explain to Canadians how they can promise on behalf of Canada that they will keep the passports, the money, the citizenship and an economic and political union. They have the burden of proving to Quebecers how they are so sure they will become members of NAFTA and so on.

Do not divert the debate. These people are faced with the burden of proof and have no answers. Let us keep the pressure on them and not on me.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the separatists have been doing everything in their power to prove a no vote means more of the same and that Canada will never move off the status quo.

The Prime Minister can disprove that charge by seizing opportunities to respond to the demand for decentralization. Even today his health minister is in Victoria. She could advance the cause by simply agreeing to open up the Canada Health Act to permit the provinces greater flexibility in financing health care. Albertans want it. Ontarians want it. Quebecers want it. Canadians want it.

Is the Prime Minister willing to put some meaning into this phrase of flexible federalism and thus advance the no side by committing to amend the Canada Health Act?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not think it would change the vote in Quebec if we agreed to have a two tier system of health care. The people of Quebec want a system for hospitalization and the Bloc Quebecois supports that every citizen should be allowed admittance into a hospital. We all agree we do not need clinics for the rich and hospitals for the poor. We want the same health care system for everybody.

Destroying the health care system in Canada will not persuade the Leader of the Opposition and his leader in Quebec to vote no. However, the people of Canada would be very disappointed if I were to stand here just to maintain peace for 40 days and concede our national health system which makes everybody equal in Canada.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Prime Minister has just shown his real conception of Quebec. How can the Prime Minister of Canada compare the Quebec referendum to the decision to dismantle a rod and gun club?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is not me. I am telling you that the hard and fast rule of the majority plus one is clearly stated in the Quebec Civil Code and that even to dismantle the smallest entity, a corporation, or to found a rod and gun club, one must respect more than the rule of the majority plus one.

The Quebec Civil Code is based on the Napoleonic Code. I simply wish to state clearly that, with such an ambiguous question, they should not ask me to disregard the basic rules of the Quebec Civil Code. However, as I said before in this House, change the question and ask an honest one. You still have two and a half hours. Ask an honest question: "Do you want to separate from Canada?" Go ahead and ask it. I will not stand in your way, because I am sure we will win.

• (1435)

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, those are the words of a politician who received only 33 per cent of the vote in Quebec, precisely because Quebecers know him very well.

How can the Prime Minister let himself be guided by his scorn for Quebec, to the extent that he decided to trample our democratic values underfoot, thus repudiating the best of Canadian traditions?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think that my position is very clear.

An hon. member: Oh yeah?

Mr. Chrétien (Saint-Maurice): Yes, it is very clear. Everyone knows that I believe in a united Canada where it is possible to be both a francophone and a Canadian. Everyone knows full well that I have spent my whole career defending millions of francophones outside Quebec, whom those people want to abandon. Everyone knows full well that I have always spoken up in this Parliament and this country to protect the rights of anglophones who have lived in Quebec for centuries, who are proud anglophones as well as proud Quebecers.

I have spent my whole career making sure that this country, which should be a model of democracy—

An hon. member: Ah!

Mr. Chrétien (Saint–Maurice): Yes, yes, always.

Mr. Speaker, to make the Leader of the Opposition happy, I will quote René Lévesque, who said that a referendum is a public consultation. We will consult the people and then we will wait for the results. You must, however, show Quebecers what you will achieve with your separation proposal. Although you, as Leader of the Opposition, have the courage to tell the Americans that you are a separatist, you lack the courage to tell Quebecers the same thing.

Some hon. members: Hear, hear.

The Speaker: My colleagues, I remind you once again that you must always address the Chair.

* * *

[*English*]

MARINE ATLANTIC

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, in a September 6 letter to the minister of the Nova Scotia economic renewal agency regarding the cancellation of the *Bluenose* ferry winter service the Minister of Transport stated: "I have asked Marine Atlantic to consult with the appropriate stakeholders. Until the consultations have been completed I will not be in a position to provide specific details concerning changes to the service levels".

One day after that letter was received Marine Atlantic chose to ignore the minister's undertaking and announced the October 10 closure of the ferry.

Will the minister direct this government corporation to retract its decision until a total economic impact study, now under way by the province of Nova Scotia, has been completed?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I thank the hon. member for Kootenay West—Revelstoke for having given me notice of the question.

As a result of a meeting held today with the premier of Nova Scotia, Mr. Savage, and his minister of transportation, Mr. Mann, and particularly as a result of long discussions with the member for South West Nova, the member for South Shore and the member for Annapolis Valley—Hants, we have determined with the people at Marine Atlantic that although they were quite confident that very lengthy and in depth consultations had taken place and that all of the financial data and information required to make a decision had been reviewed, in the spirit of fairness and flexibility, as the government always tries to respect its undertakings, we will delay the implementation of the decision to suspend the service of the *Bluenose*.

We are looking forward to that study being commissioned by the Government of Nova Scotia and we expect we will be able to take a final decision on winter service before the end of this year.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I thank the minister for his positive response to my question.

It is unfortunate for those in southern Nova Scotia that it takes an advocacy other than their elected representatives in order to bring this matter to the minister's attention.

Marine Atlantic's lack of response to market needs and ministerial direction coupled with Liberal strongarm penalties for MPs is interfering with the economy of southern Nova Scotia.

• (1440)

Will the minister agree it is now time to start the process of privatizing Marine Atlantic so it can be controlled by market needs instead of some unknown internal or political agenda?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, schizophrenia is still rampant.

What we are attempting to do with the process initiated by Marine Atlantic is achieve the objective of putting Marine Atlantic on a commercial basis.

We look forward to co–operating with the people in that area. We understand the levels of service provided in the past. We understand the subsidies being paid by Canadian taxpayers are no longer sustainable.

In response to the member's original question we have said we will look at the feasibility study commissioned by the Government of Nova Scotia. We will respond to it and with the co–operation of most of the members of the Reform Party we will attempt through every means possible to continue working to make sure transportation in Canada is affordable, efficient and as subsidy free as possible.

* * *

[*Translation*]

POST–SECONDARY EDUCATION

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Prime Minister.

First, I want to mention that the student protests are being organized today in every region of Quebec to condemn the drastic cuts made by the federal government in social programs, as well as the stubbornness of a government which continues to ignore the legitimate demands of Quebec students.

Does the Prime Minister realize that Quebec will experience a shortfall of over two billion dollars between now and the end of 1998, and that the province will have no choice but to substantiallyare increase tuition fees, strictly because of the federal government's action?

Mr. Ouellet: The decision will be made by Quebec.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as I pointed out to the hon. member yesterday when he said he did not like to deal with numbers, this year alone we are increasing the transfer to Quebec by $20 million.

Unfortunately for whatever reasons, and this is certainly the responsibility of Quebec, the minister of education for Quebec has already cut $200 million from the budget for higher education.

Instead of laying the blame the hon. member should be placing the question where it properly belongs. Education in Quebec is the responsibility of Quebec. It decides on tuition and on curriculum. We have given it full right under the new transfer payment to make those decisions. I hope that when the hon. member has the opportunity he will go back to raise the same kind of issue, the same kind of question with the Government of Quebec.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, given the Prime Minister's silence, and since the Minister of Human Resources Development apparently wants to answer my question, I will tell him that this information is taken from his green paper on budget commitments.

Can the minister deny today that the federal government will force Quebec to substantially reduce its spending by depriving the province, through the new Canada social transfer, of more than two billion dollars? Can he deny that?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the figures quoted by the hon. member are not valid. In 1996–97, Quebec will only get $350 million less than it did in 1994–95. That is less than one per cent of the total revenues of the province, which was informed of that decision two years ago. In fact, Quebec's minister of finance, Mr. Campeau, accepted that decision at a finance ministers' meeting.

* * *

[*English*]

CANADA POST

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the Prime Minister today talked about doing things a new way in Canada, but while the House rested this summer the Prime Minister's office did another masterful snow job on the media with a three day blitz designed to polish up the image of Atlantic Canada's king of patronage. Two so–called independent studies allegedly cleared the minister of public works of wrongdoing.

My question for the minister of public works is a direct one. Did he or anyone connected to his office have any influence in dictating the terms of reference of the Price Waterhouse study into the Canada Post scandal in Sydney, Nova Scotia?

• (1445)

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): No, Mr. Speaker.

Mr. Randy White (Fraser Valley West, Ref.): At least I got him up today.

The corporate manager of real estate at Canada Post is on tape with CTV admitting that the minister not only interfered with the awarding of the postal contract, but successfully manipulated the Price Waterhouse process to avoid the very question it was supposed to answer.

My question is for the minister of public works. How is it that the minister of public works can hire the company of his choice, tell it what it can and cannot investigate, pronounce himself cleared, and expect the Canadian people to accept this charade?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I do not think the hon. member will accept the word of anyone when it comes to verifying the facts about a particular matter.

I want the record to show that the incident he refers to took place as a result of representations made by a member of Parliament to me as the minister responsible for Canada Post. The House should know that I have received in excess of 1,500 representations up until this time from members of Parliament on a variety of aspects concerning Canada Post. It is my duty and my responsibility to refer that subject matter to the appropriate authorities, which I did in that particular case.

The hon. member can stand in his place and question that an international organization such as the accounting company in question has reported all of the facts.

* * *

[*Translation*]

POST–SECONDARY EDUCATION

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. The federal government is forcing the provinces to significantly raise the tuition fees in higher education because of the drastic cuts it has made to social programs.

Will the Minister of Human Resources Development acknowledge that the cuts he is imposing on Quebec will raise tuition fees by $1,500 a year, thus limiting access to higher education?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is a very strange irony that the very members of the House who are constantly demanding more responsibility for the provinces now want us to take the responsibility back and start making decisions for them.

The reality is that in the area of education the Government of Quebec makes the decisions. It had already made decisions before transfer payments had even been effected.

I recall very well Mr. Parizeau on his election saying that he would not raise tuition for the students of Quebec. I ask the hon. member, does he not have any faith in Mr. Parizeau?

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, what the minister is neglecting to say is that he is transferring responsibilities but keeping all the money. That is what he is doing.

Some hon. members: Hear, hear.

Mr. Brien: Is the minister also aware that these cuts are forcing many students to spend more than half their income just to pay tuition fees, putting them further in debt? This is why they took to the streets today.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as I pointed out yesterday, the members of the Bloc have been so busy during the summer campaigning that they have not taken the time to recognize or appreciate the initiatives we have taken to help students.

On August 1 we announced the new student loan program that would provide direct grants to students who have fiscal needs, high needs for support. While Quebec has its own student loan program, we have transferred millions of dollars over to Quebec so direct grants could be provided for part time students with fiscal needs, for disabled students, women going to graduate school, and to provide loan forgiveness.

It seems to me that we are doing our part to help the students of Quebec. I wish the Government of Quebec would do the same thing.

[*Translation*]

STUDY BY ECONOMIST GEORGES MATHEWS

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs. In the context of his ministerial responsibilities, does the Minister of Intergovernmental Affairs agree with the economic impact of Quebec's possible separation as described in the Mathews report?

• (1450)

The Speaker: Yesterday, the hon. member for Roberval raised a question. I have reviewed yesterday's *Hansard*. It seems to me that the question as it was asked yesterday was somewhat off the mark.

I have listened carefully to the question today and I am going to allow it. The minister has the floor.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, obviously matters of national unity are important in the exercise of my responsibilities, particularly the costs of separation.

When studies are published on the cost of separation, it is extremely important that they be based on objective facts and that the conclusions drawn by their authors not be controlled by the Government of Quebec.

With the Mathews study, which indicates clearly that the costs of separation are much higher than what the Parti Quebecois has indicated, it is obvious that the studies published by Mr. Le Hir of the Parti Quebecois are no longer credible, because when a study raises points the Parti Quebecois does not like, the conclusions are left out.

The conclusion is clear: we can no longer believe the studies the Parti Quebecois is producing.

* * *

[*English*]

FISHERIES

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, the Minister of Fisheries and Oceans is proposing to raise $50 million by imposing a new tax on fishermen. Of course DFO does not call it a tax, but an access fee. But that does not take away from the fact that for some fishermen this new tax will mean a 400 per cent increase in their licence fees and an end to their livelihood.

Why is the minister insisting on cutting the incomes of Atlantic fishermen rather than making much needed cuts to the bloated bureaucracy in his own department?

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I

thank the hon. member for his question. I want to tell him that the basic principle is that fees should reflect the benefits of privileged access to public resources managed at public expense.

The members of the Reform Party talk about the deficit, about increasing revenue, about reducing costs. Should a fisherman who makes $320,000 in the six week fishery not pay a fee for the use of a public resource?

I can assure the hon. member and all fishermen that this will be based on an equitable formula and we will ensure that there is an even share. Those fishermen who are getting large revenues from their income will have to pay the highest fees. It will be on an equitable and fair basis.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, this is not a fee, this is a tax. A fee implies that the bearer receive something in return for his payment. The minister offers only headaches to the fishermen in this case.

The minister just does not get it. Canadians are taxed to death. Fishermen are in one of the worst predicaments they have ever been in as a result of overwhelming government mismanagement of the fishery. Now the minister has decided to stick it to the fishermen again.

The Speaker: I would ask the hon. member to please put his question.

Mr. Scott (Skeena): Can the minister tell us why the fishermen of Atlantic Canada are faced with a massive tax increase because he does not have the courage to make the cuts that need to be made?

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, first of all, the hon. member should know that fees have not been looked at since 1981. There has been no fee increase since 1981.

Mr. White (Fraser Valley West): It is a tax.

Mr. Dhaliwal: If they would listen, I would give them some statistics.

The average value of the catch from 1990 to 1993 was $320,000 for an eight week fishery. In 1995 the same fishers averaged more than $1 million in landings in the midshore crab fishery. For someone who is making $1 million in landings, a $16,000 fee is perfectly reasonable under the circumstances.

• (1455)

It is the Reform side of the House that is always talking about user fees.

Some hon. members: Order.

Mr. Dhaliwal: This is a fair fee and it is reasonable. I can assure—

The Speaker: Colleagues, you leave your Speaker with a dilemma. We have questions asked and answers being given and yet I find it at times, as I am sure you must, difficult to hear the answers.

I would appeal to all of you, my colleagues, to remember that we should be civil with one another and at least give the opportunity for an answer to be as complete as it can be. I would ask you to please do that in question period.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. Last spring, the Minister of Human Resources Development stated on several occasions that at least $1.6 billion in new UI cuts would be announced this fall.

Does the minister confirm that he has decided not to table his reform proposal until after the referendum, to hide from Quebecers the fact that they will have to absorb 40 per cent of the new cuts, or $605 million?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I can confirm that for the past year we have been working very hard with a number of Canadians across the country to develop a new program of employment creation where we can have a system that will give real support, real resources to people to get back into the employment market, to get jobs, to establish a real sense of being able to meet a lot of the new changes taking place.

We are working very carefully with a number of the major stakeholders, a number of partners, a number of people who have become involved. We are still working on refining that. When that proposal is ready we will certainly be prepared to present it to Parliament. That would be very good news, not only for the people of Canada but in Quebec, because it will give them real hope about getting a job.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): That is right, Mr. Speaker, and that is why we want sovereignty. The minister talks about job creation, but there has been no net job creation in Canada for the past eight months.

Does the minister realize that, in the absence of net job creation, only these UI cuts, which push the unemployed toward social assistance, can restore the UI fund and give the appearance of reducing the deficit?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, unfortunately the hon. member does not deal in the realm of facts. She knows full well that since the government has come into power we have created over 455,000 jobs, in the province of Quebec alone 120,000 full time jobs, 70 per cent of them in manufacturing, which are good well paying jobs.

As a direct result of that, in the month of August there was a decline of 13,000 in the welfare rate in the province of Quebec. It shows our programs are beginning to work.

* * *

THE ENVIRONMENT

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, my question is for the Minister of the Environment.

This past summer $12 million was spent on a failed attempt to raise the *Irving Whale* barge off the coast of P.E.I. Officials are now saying they need to rethink the lifting of the barge because of onboard PCB contaminants.

Why did the minister go ahead with the project, knowing full well from years before that PCBs were on board?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the presence of PCBs on board makes it that much more critical that the *Irving Whale* be lifted.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, according to a December 1992 study submitted by Marex International Limited to the Canadian Coast Guard, the heating fluid on board the *Irving Whale* was Monsanto MGS, a trade name for PCBs.

• (1500)

Why did the minister clearly ignore this study before embarking on such an expensive adventure thereby bringing about a court injunction? Twelve million dollars spent and it is still on the bottom of the sea.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the material the member refers to is by Monsanto. In fact the company that actually owns the *Irving Whale*, the Irving company, knew that the PCBs were there and did not inform.

As a result of that lack of information, on July 6 I ordered a full investigation surrounding the presence of PCBs specifically cited in the Marex report but unfortunately not identified by the officials from the Department of Transport who were reviewing that study.

On July 6 I ordered a report. This week our officials will be meeting with officials from the Irving company. We intend, hopefully within the next four weeks, to have the investigation completed and proper prosecution if and when necessary.

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INCOME TAX ACT

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, my question is for the Minister of Finance.

As part of the last budget there was a requirement that as many as 400,000 small and medium sized unincorporated businesses in all of Canada be forced to change their year ends.

Knowing the commitment of the minister and the government to help small and medium sized businesses to create jobs, how has the minister come to the assistance of the business community?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as the member for Durham has just said, in order to prevent an undue deferral of income there were certain changes brought within the last budget to the Income Tax Act.

Unfortunately we discovered, as the member has just said, that this imposed an undue burden on many unincorporated small businesses across the country. As a result we have been able to bring in changes that in effect allow small businesses to have a business year end and a tax year end.

Therein does not lie the whole story. The fact is that the matter was brought to our attention by the member for Durham and a number of members on the government side of the House. Not only did they bring it to our attention, but in a very constructive and imaginative way they worked with the department to come up with a solution. I thank and congratulate those members of Parliament.

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NUNAVUT

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

The previous Conservative government passed the Nunavut Act as its act of Parliament to ensure that the Inuit desire for self–government would be finally realized.

Will the Minister of Indian Affairs and Northern Development recognize the reports by the Nunavut Implementation Commission and its findings which clearly indicate Iqaluit as the best community for the capital?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the report to which the hon. member refers is an advisory report to the Inuit people, to the territorial government and to the federal government. It is no more or no less.

I am leaving next Thursday for a two-day meeting with the Inuit people in Rankin Inlet where the matter will be discussed. Hopefully at some point very soon we will be able to pick a capital.

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PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of members to the presence in the gallery of a Commonwealth Parliamentary Association Delegation from the United Kingdom, led by Dame Jill Knight.

Some hon. members: Hear, hear.

The Speaker: I would also like to draw the attention of members to the presence in the gallery of members of the Standing Committee of Parliamentarians of the Arctic region.

Some hon. members: Hear, hear.

* * *

[*Translation*]

POINT OF ORDER

ORAL QUESTION PERIOD—MINISTERIAL RESPONSIBILITIES

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, yesterday, the hon. member for Roberval raised a point of order regarding a question asked by the hon. member for Vaudreuil.

• (1505)

Today, I would like to read you a few comments Beauchesne made on this subject. The question concerned a report on the cost of separation prepared for the Government of Quebec.

As I said, the hon. member for Vaudreuil directed his question at the Minister of Intergovernmental Affairs and this question concerned a report prepared for the Government of Quebec on the cost to the province of separating from our confederation. In my opinion, the question is in order as it concerns the obligations and duties of the Minister of Intergovernmental Affairs. I am quoting from *Beauchesne's Parliamentary Rules and Forms*, Sixth Edition. Paragraph 410(16) reads:

[*English*]

Ministers may be questioned only in relation to current portfolios.

This question was asked of the minister concerning a matter that clearly falls within his jurisdiction.

Point of Order

[*Translation*]

He is responsible for the national unity office, and this report prepared for the Government of Quebec directly concerns his work in this office. Therefore, I think that the question is in order and that the point of order raised by the hon. member for Roberval is not relevant.

The Speaker: Dear colleagues, as I said yesterday, I will review *Hansard* and make a ruling within a few days. It will not be long in coming.

[*English*]

STANDING COMMITTEE ON ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I rise on a point of order to call your attention to irregularities in the proceedings of the Standing Committee on Aboriginal Affairs and Northern Development.

For your information, Mr. Speaker, my colleagues and I sought remedy within the committee to the problems which arose and we were unable to achieve or obtain adequate satisfaction.

Although committees are creatures of this Chamber, I understand they are masters of their business within limits prescribed by the standing orders. Your Honour has recognized that Speakers have always been hesitant to interfere in the proceedings of committees of the House.

However, as Speaker Fraser explained in a ruling on March 26, 1990, at page 9756 of the *Debates*:

The Speaker has often informed the House that matters and procedural issues that arise in committee ought to be settled in committee unless the committee reports them first to the House. I have, however, said to the House that this practice was not an absolute one and that in very serious and special circumstances the Speaker may have to pronounce on a committee matter without the committee having reported to the House.

Also there is Your Honour's ruling of June 20, 1994 at page 5582 of the *Debates*.

Mr. Speaker, this committee has a history of past irregularities, including the case to which I have drawn your attention. The irregularities from yesterday are as follows.

• (1510)

First, as soon as the clerk's gavel fell I submitted a motion to elect a chairman. As Your Honour knows, under the standing orders the first item of business for an organizational meeting is the election of a chair for the committee. However the clerk acknowledged my speaking and asked me to wait until he had read his first item of business. I asked that he recognize that I had given notice of a motion. After the clerk read the item of business he proceeded to recognize someone else first.

Second, once the chair was elected my colleagues repeatedly attempted to move a motion to elect a vice–chair, but the chair appeared to be intent on stalling so that a motion to elect a member of the Bloc could be put forward by the Bloc or by the government for the so–called opposition vice–chair.

The chair stalled by insisting that we were to consider motions for government vice–chair. This is a false distinction. The standing orders do not recognize a government vice–chair per se. The standing orders only require that two of the three positions go to the government side.

As soon as a motion to elect a vice–chair is put forward, whether to elect a government or opposition member that motion is surely in order. The chair made it clear that he was accepting no motions from the Reform.

Third, once a member of the government moved to elect the Bloc to the vice–chair, my colleagues and I asked for debate on the motion. We were not only cut off; we were not allowed to debate at all. As Your Honour knows, Standing Order 116 makes clear that there is no limit on debate on a regular motion in committee.

Fourth, when we put forward a motion to overturn the election of the Bloc member as vice–chair, the chairman refused to entertain the motion, which was surely in order. The chairman then summarily adjourned the meeting.

We appeal to you, Mr. Speaker, to uphold the standing orders and our rights. This kind of conduct by committee chairs is surely less than acceptable. Are the committees and their chairs obligated to conduct their business according to the standing orders and according to the rules, or can the standing orders and the rules be ignored or changed at any committee chair's whim?

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I would like to respond to the points raised by the hon. member.

First, the member acknowledged that it is customary for these issues to be dealt with in the committee and not in the House. Having said that I want to respond to some of the matters that were raised because I believe there are some factual inaccuracies in what was said.

Second, there is an inaccurate knowledge of the rules, at least in my opinion. I would like to so submit, Mr. Speaker.

The matter of which position to be elected is dictated by the agenda duly prepared by the committees directorate of the House of Commons. I have a copy of the agenda in front of me which has the draft motions written on it as well as the various positions to be elected.

The member suggested there was no such thing as a vice–chair from the government. I read here from the draft agenda point number two, which I will gladly table or at least give a copy to you, Mr. Speaker, to consider. "Moved by" whatever member rises to make such a motion. Then there is a "that" and there is space for the person nominated "be the vice–chair from the government". It says so in the draft agenda prepared by the staff of Mr. Speaker, by the clerk staff, to be utilized by the person elected as chairman to then select names or invite nominations for those to be the two vice–chairs.

Even if such a draft agenda did not exist at all, the member across has acknowledged that two of the three positions had to be from the government and one from the opposition.

• (1515)

In view of the fact that the chair had already been elected from the government at the time that the two vice–chairs were elected, it stands to reason mathematically that at least one more position had to come from the government and one from the opposition. Otherwise, there are some mathematical differences in calculating things between the hon. member opposite and the majority of the rest of us.

In addition to that the hon. member makes a claim that there was some difficulty in having a point of order recognized. It should be brought to the attention of the Speaker that under our rules members of the committee are recognized by the chair at the chair's discretion. There is also a provision whereby members of the House who are present in the room but who are not members of the committee can be recognized at the chair's discretion.

In fact, the point of order was raised by the hon. member for Prince George—Bulkley Valley. The hon. member for Prince George—Bulkley Valley did not receive recognition for his point of order. He was not a member of the committee nor was he a substitute at that particular time because both members of the committee representing that party, the hon. member for North Island—Powell River and the hon. member for Surrey North, were present in the room. As the Speaker knows, a member can only be a substitute provided that the regular member is not in attendance at that particular meeting. In view of the fact that both of them were in attendance, then the other member was not a member of the committee at that particular time. That should take care of that point.

Finally, I have before me the blues, or at least the rough *Hansard* of that particular committee, in which the hon. member, who in fact was not a member of the committee, the member for Prince George—Bulkley Valley, asked the chair for the following: "Can we receive assurance that the vote on the nomination of Mr. Murphy will be called?" In fact, this was the second nominee. He asked if we could have that assurance.

Furthermore, the hon. member stated the following: "What we asked, Mr. Clerk, was that both names be put on the ballot, which the members of the Liberal Party agreed to do", and so on.

Mr. Speaker, I am sure you are quite aware of citation Nos. 781, 782 and 783 of Beauchesne. Citation No. 782 states that the clerk of the committee conducts the election of the chairman by putting a motion moved by a member of the committee. It says further that if this motion fails successive motions are moved. In other words, there was no provision for the two names to be on the ballot. It is contrary to our practices and contrary to the standing orders. What the hon. member was asking the clerk to do was to be in breach of the rules in order to gain something that he wanted.

The clerk of the committee obviously followed the rules and so did the chairman subsequently. Just because the member has brought the matter to the House does not mean that the rules were breached. Perhaps it means that he did not have his way, but that is not the same thing as the rules not being observed.

The Speaker: I do not want to get into a debate on this.

If there is something that is relevant I will recognize it. Is the Reform whip rising on the same point of order?

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, very simply, in view of the counter argument given by the chief government whip and in view of the fact that he has used some of the argument here himself as a whip in opposition or as a member of a committee, I respectfully ask that the deposition by the hon. member for North Island—Powell River be taken by the chair and be given back in written form as an answer, not just accepting the verbal answer given by the chief government whip today.

• (1520)

The Speaker: Colleagues, you will remember that in the course of the last 18 months we have had at different times members bringing up situations which took place in committee.

As the hon. member for North Island—Powell River said, it is rare that your Speaker would intervene in a matter of a committee.

I have heard both sides today. I imagine there are some nuances I am not grasping because many times in the telling of both sides the whole flavour is not there. That is why this House in its wisdom has made the committees masters of their own destiny, if you will. It is only in really extraordinary circumstances that the Speaker has intervened.

Having heard from both sides, and both sides seem to have very good arguments, I would be inclined to once again say very briefly that it seems to me the hon. member does have a grievance but that the grievance should be settled in committee. I would suggest that the hon. member or members who feel aggrieved should bring this up in the committee proper. I would like to have this matter rest for now.

Are there any other points of order?

STRANGER IN THE CHAMBER

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I passed written notice to you that during question period at approximately 2:40 p.m., if my eyes did not deceive me and I do not have a videotape, it appeared to me that a stranger entered the House and spoke with the hon. member for Kamouraska—Rivière-du-Loup at his desk in the front row. If my eyes did not deceive me, this would be a very serious breach of the rules and traditions of the House. Under Standing Order 14 either I or one of my colleagues who witnessed this could have risen at that time during question period with an appropriate motion in relation to strangers but we did not, given the fact that it was an interesting question period.

I put the matter to you now. I place the matter in your hands to clarify as you see fit, keeping in mind that if it did occur the way I saw it this would be a very serious breach of the House's rules and traditions.

The Speaker: The hon. member's point is well taken. Only members of Parliament are allowed in this House. I did not see anyone who was a stranger. I seem to recognize everyone, but you know my eyes sometimes fail me. This matter can be cleared up very quickly. We simply have to put the question to the member and the hon. member can answer the question at this time.

[*Translation*]

I ask the hon. member this simple question: Did someone who is not a member of Parliament come to see him during question period?

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, indeed, someone who is not a member of Parliament but who might be one some day came to see me. That person is the head of the pages.

The Speaker: Thank you. So, we have the answer.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

• (1525)

[*English*]

PETITIONS

IMMIGRATION ACT

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the privilege to present on behalf of residents of my riding of Bramalea—Gore—Malton a petition signed by more than 100 citizens requesting that Parliament change the Immigration Act to allow landed immigrants to leave Canada for up to two years without having to prove that they did not intend to abandon Canada as their place of permanent residence thus losing their permanent resident status.

[*Translation*]

BOVINE SOMATOTROPIN

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I have the pleasure of submitting two petitions. The first one was signed by more than 300 people who oppose the introduction of BST in Canada.

IMPROVEMENTS TO CARTIER–BRÉBEUF PARK

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, the second petition was signed by close to 4,000 citizens of Limoilou, Quebec, who want the Minister of Canadian Heritage to act quickly and allocate funds to improve Cartier–Brébeuf park in Quebec City.

[*English*]

JUSTICE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, pursuant to Standing Order 36, it is my duty and honour to rise in the House to present two petitions on behalf of individuals from the riding of Saanich—Gulf Islands and surrounding areas. The petitions have been duly certified by the clerk of petitions.

In the first petition the petitioners pray and call upon the House to enact legislation to reform the justice system.

DANGEROUS OFFENDERS

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): In the second petition, Mr. Speaker, the petitioners call upon Parliament to enact legislation against serious personal injury crimes being committed by high risk offenders by permitting the use of post–sentence detention orders and specifically by passing Bill C–240.

OFFICIAL OPPOSITION

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise on behalf of the constituents of Okanagan—Similkameen—Merritt to present a petition which has been duly certified by the clerk of petitions.

The petition draws the attention of the House to the following: "That the rights and interests of citizens residing in nine provinces and two territories cannot be adequately protected by the disloyal one province Bloc Quebecois as Her Majesty's Loyal Opposition and that this is accordingly a travesty of the institution of Parliament. Therefore, we call on Parliament to preserve Canadian unity, parliamentary tradition and to protect the rights of all people of Canada by prevailing upon the Speaker of the House of Commons to recognize the Reform Party as the official opposition during the remainder of the 35th Parliament of Canada".

I present this petition on behalf of all Canadians.

ASSISTED SUICIDE

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, pursuant to Standing Order 36 it is my honour to table on behalf of the constituents of Hamilton East and my own constituents of Lincoln a petition calling on Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or of active or passive euthanasia.

HUMAN RIGHTS

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I have several petitions. The first is signed by 100 petitioners who pray and request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights act to include in the prohibited grounds of discrimination the undefined term of sexual orientation.

PEDOPHILES

Mr. Art Hanger (Calgary Northeast, Ref.): Also, Mr. Speaker, 675 petitioners call upon Parliament to eliminate the right of a convicted pedophile being let out of jail on bail pending an appeal. This would thereby ensure the protection and safety of the victims and the community from such a convicted offender.

• (1530)

RIGHTS OF THE UNBORN

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I also have 100 petitioners calling on Parliament to act immediately to extend the protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I have 89 petitioners who pray that Parliament not repeal or amend section 241 of the Criminal Code in any way and to uphold the Supreme Court of Canada decision of September 30, 1993 to disallow assisted suicide and euthanasia.

HUMAN RIGHTS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I am pleased to present a petition on behalf of my constituents dealing with the amendment or the non–amendment of human rights code, the Canadian human rights act or the charter of rights, in any way which would tend to indicate societal approval of same sex relationships or of homosexuality.

INDIAN AFFAIRS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I have a second petition on an entirely different subject, very interestingly calling on Parliament to halt negotiations on native land claims in British Columbia and turn Indian reserves over to the bands, fee simple, and to make our natives come under the same laws as the rest of Canada.

These petitions come from a very central area in my riding, centred around Lake Cowichan, Honeymoon Bay and Youbou.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

The House proceeded to the consideration of Bill C–45, an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Speaker: Motion No. 1 will be debated and voted on separately.

[*Translation*]

Motions Nos. 2, 3, 6, 8, 12, 13, 18, 20, 21, 22 and 23 will be grouped for debate but voted on as follows:

(a) Motions Nos. 2, 3, 6, 8, 12, 13, 18, 20 and 21 will be voted on separately.

(b) A vote on Motion No. 22 applies to Motion No. 23.

[*English*]

Motions Nos. 4, 5, 7, 10, 11 and 17 will be grouped for debate but voted on as follows. Motions Nos. 4, 5, 7 and 17 will be voted on separately. An affirmative vote on Motion No. 10 obviates the necessity of the question being put on Motion No. 11. On the other hand, a negative vote on Motion No. 10 necessitates the question being put on Motion No. 11.

[*Translation*]

Motion No. 9 will be debated and voted on separately.

[*English*]

Motions Nos. 14 and 15 will be grouped for debate. A vote on Motion No. 14 applies to Motion No. 15.

[*Translation*]

Motion No. 16 will be debated and voted on separately.

• (1535)

[*English*]

Motion No. 19 will be debated and voted on separately.

[*Translation*]

Motions Nos. 24, 25 and 26 will be grouped for debate. A vote on Motion No. 24 applies to Motions Nos. 25 and 26.

[*English*]

I shall now propose Motion No. 1.

MOTIONS IN AMENDMENT

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Motion No. 1

That Bill C–45, in Clause 21, be amended by adding after line 13, on page 8, the following:

"(3) Notwithstanding any other provision in this Act or the regulations, the Service

(*a*) shall require the offender to pay as restitution

(i) to the victim of an offence committed by the offender, or

(ii) to the family of the victim referred to in subparagraph (i) where the victim is killed or is unable to manage his or her financial affairs as a result of the offence,

thirty per cent of the gross payment referred to in subsection (1) or gross income; and

(*b*) on the request of or made on behalf of any victim who wishes to undergo treatment or counselling for the purposes of relieving any physical or psychological trauma resulting from a sexual assault, an aggravated sexual assault or a sexual assault with a weapon committed by the offender against the victim, shall require the offender to pay towards the cost of that treatment or counselling an amount to be determined by the Service of the gross payment referred to in subsection (1) or gross income.

(4) Where an offender is required to make any payment under subsection (3), the offender shall not be required to make any payment under paragraph (2)(b).

(5) For the purposes of this section, "victim" means a person described in paragraph 2(1)(a)."

He said: Mr. Speaker, it has been a while since we have had a look at Bill C–45. It was introduced in March 1994. Most of us have pulled it off our shelves, blown the dust off and are having another look at it.

Bill C–45 happens to be, in truth, a bill that was presented once upon a time by the old Conservative group and the bill had a different title.

The government of today took the bill, watered it down, nursed it around and called it Bill C–45 and now is attempting to convince Canadians it will really do something about law and order once again.

In the two years we have been here I have already come to the conclusion, and I suspected right from the beginning but it is confirmed more and more, that the Liberals are tinkering around with criminals and legislation pertaining to them. This Mickey Mouse approach the government has had with regard to handling criminals has to come to an end.

I remind members of government and members of the separatist party as well, because they are always in bed together on these issues regarding crime and law and order, there are two parties to every crime, a criminal and a victim. Nowhere in any legislation has the government addressed what it will do with regard to victims. Never once, not even when the government received 2.5 million signatures from CAVEAT asking it to recognize the victims of crime.

It constantly considers the rights and privileges of the criminal: "We have to make sure the criminal is protected here and protected there in every aspect. His or her rights are really important".

I am talking about the Solicitor General and the Minister of Justice. They received thousands and thousands of letters trying to get them to realize there are victims of crime. There were letters from the Melanie Carpenter campaign. We keep adding to the list. Only recently a 10–year–old girl was abducted and murdered even while her family was at home.

No, we look at the legislation and it is a bunch of gobbledegook put together by a bunch of lawyers who run around in the little building over there called the justice hall of Canada. They put together a thick pile of documents which would take 14 Philadelphia lawyers to even interpret.

The whole basis of fighting crime is supposed to deal with the problems. Instead we come up with all this stuff that takes a bunch of bureaucrats, highly paid, to make sure we put all this flowery stuff on it which will not solve one thing. It has to start addressing some problems in the country which it is not now addressing.

Motion No. 1 is an attempt by our party to get the government to recognize there are victims in the country.

In my riding a student of mine was raped and had to live in fear afterward because the perpetrator was still free. She almost had a nervous breakdown, requiring medical and psychiatric attention.

• (1540)

The criminal was provided all of those services paid for by the taxpayers of Canada. The victim could get the same services. The only difference was she, her husband and their family had to dig into their purses and pockets to figure out how they would pay for this.

I recall a mother in Calgary whose five–year old daughter had her throat slashed, her body thrown in a garbage bag and dumped in a dumpster by a 37–year old perpetrator. He said he could not help himself because the little girl kept coming on to him.

The little girl got life while the perpetrator will get 10 years. In the meantime the mother of this little girl, a single parent with other children, has gone through a terrible trauma. Not one penny of taxpayers' dollars has gone to help the victim in this case. However, that 37–year old killer has had psychiatrists, psychologists, dozens of legal aid lawyers throughout the whole period helping him every whim of the way.

I see a section in the bill that says the government will start doing something about these guys when they are locked up in jail. It will let them work to earn some money. It will take 30 per cent of that money and see it goes back into the government to help pay for meals, et cetera.

This motion asks the people of the House to insist that any money collected from a perpetrator in prison will go to the victims to help them with their problems. Here is the chance for my Liberal friends to show their focus is on the victims of crime and not just the criminals day in and day out.

I look back over the last few months with the Bernardo and Homolka situation, I remember the Olson situation and the hundreds of victims touched by those kinds of actions. It is terrible when we talk about people like Mr. Olson, who are in prison. He killed one person which cost him a life sentence with 25 years before possible parole. The second murder was free, the third one was free, the fourth one was free, the fifth one was free, the sixth one was free, and on and on it goes. When will we stop making things free for these killers?

The least we can do is if we are to get any kind of money from them it ought to be directed to those most affected, the victims. I am really sick and tired of this Mickey Mouse pussy footing around while really not giving a hoot about anything but making sure we do this glorified stuff in the House. We make sure we present documents so thick that we do not even have the time to read them. Certainly any common, ordinary Canadian could not understand them.

It is time we got down to common sense and addressed the problem instead of creating 160 pages of gun law that will not do a stinking thing or creating another 45 pages of another law called Bill C–41. I am still trying to figure out what it will resolve. When will we acknowledge there are two people in crime, the victim and the criminal, and for a change concentrate on the victims instead of the criminal?

We will look after criminals' basic rights. They are entitled to them. They are innocent until proven guilty. When they are convicted they will be sent to jail. When they are in jail they ought to have to work. If they do not work they should not eat. That is what happens in the rest of the world. If they do earn money and if is to be, as this bill says, 30 per cent of their earnings going back to the government, I say no. Let us put it toward the victim. Let us help them with the problems they face. Let us think about them for once.

• (1545)

We would be more popular in our ridings if we put the victim first instead of the criminal in our legislation. Here is the chance. I beg hon. members to support Motion No. 1.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, the motion presented by the hon. member would have limited effectiveness and is considered unnecessary in light of other mechanisms already in place to deal with restitution to victims.

The Criminal Code also includes current provisions for compensation and restitution to victims by offenders. The proposal made by the opposition, which would make restitution commensurate with 30 per cent of inmates' total gross income, would have very little impact in compensating victims because of the low level of inmates' income.

I would also emphasize that this proposal would be very costly and difficult to administer, particularly since the Correctional Service of Canada is not in the business of assessing the validity of victims' claims.

A similar motion was defeated by the Standing Committee on Justice and Legal Affairs, of which the hon. member is a part and where he had ample time to put forward his claims.

I would urge the House to reject the motion.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, I have decided not to speak on this issue quite simply because the parliamentary secretary has just spoken in exactly the same vein and I too find this motion inappropriate. To put it bluntly, we are against it.

[*English*]

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, today we are discussing Bill C–45 and the motion put forward by my colleague from Wild Rose.

The most important part of the bill is the rights of the victim. According to the Solicitor General, the amendments in Bill C–45 are intended to restore public confidence in the federal corrections process. When we talk about restore, that means to bring it back to its original state by rebuilding or repairing. Look at the work crew that is attempting to restore public confidence in the system. It is the same group that has perverted the justice system. It is the same group that has let Canadians down. It is the same group that has introduced things like section 45, allowing murderers back out on the streets in 15 years.

Now the members of this group come out and ask for the confidence of Canadians. "Trust us", they say. "We know what is wrong with the system. We will fix it because we have heard your concerns. We will ensure that your rights are protected". On and on we listen to this rhetoric. I say it is absolute nonsense.

The only thing the government is concerned about is looking good and sounding tough. It wants to look as if it is doing something to protect Canadians, to punish criminals and to make the streets and communities safe. "Let us pass gun law legislation. We will not have any more crimes committed with guns." This is the kind of gimmick politics we have been seeing coming from the government.

When it is gun control the government says that there is way too much crime. When Canadians are asking for the reinstatement of the death penalty, crime is on the decline. Where is it? Canadians are asking for the death penalty.

[*Translation*]

Mrs. Venne: Mr. Speaker, on a point of order, may I point out that the hon. member is not speaking on Motion No. 1 at this time. He is giving us a general speech on gun control and everything under the sun except Motion No. 1.

• (1550)

[*English*]

The Speaker: I listened to the hon. member for Calgary Northeast and I am sure he is coming to his point just about now.

Mr. Hanger: Mr. Speaker, I am indeed coming to the point if the hon. member would be patient enough to listen.

Bill C–45 calls for a full term detention of offenders who commit sexual offences against children. What about sexual offences against adults? What about sexual offences against women? What about sexual offences against anyone who is over the age of 12? Is that not a serious crime too? Of course it is. Yet it is not addressed in this bill. Why? All sexual assaults, regardless of the age of the victims, are serious and deserve full term sentences. Why are there no provisions for indefinite sentences once the offender has been incarcerated? This is also a part of the victims' compensation.

Now we are getting back to the compensation, seeing the criminals pay for the crimes they have committed. If this work crew wanted to build a strong foundation, the first thing they would do is demand full term detention for all dangerous offenders deemed capable of repeating their offence. In fact they would consider indefinite sentences for offenders who are deemed capable of being repeat serious violent offenders. This too is compensation. Some say it is cruel and unusual punishment. I say no way, as do the Canadian people.

The only thing I have seen that is cruel and unusual is a justice system that allows thugs and punks like this back out on to our streets to hassle, cause trouble, rape, assault and murder. Who should determine whether or not an offender should be released? How about trying a new approach? Ask the frontline workers instead of political hacks. Ask the victim or victims.

A politically appointed board consisting of persons owed political favours is not the best system. Remember, they are part of the same group that is asking for a chance to restore public confidence in the system. Let the institutional staff, the people who deal with the prisoners day in and day out, determine the possibility of reoffending.

Canadians are demanding real changes. Canadians are demanding that in all cases where a parole board decision results in an offender being released and reoffending a review must be mandatory. Taxpayers' dollars are going to be wasted to retain a bunch of political hacks who have no business sitting on a parole board. Put only qualified people in these important positions and use the money that is left for more important purposes, such as victims compensation.

Throughout this bill the victim is either forgotten or merely an afterthought. This is more of the same from the crew that is asking for trust that they will restore the system.

Bill C–45 states that offenders earning income while incarcerated can have up to 30 per cent of their earnings deducted to help with their upkeep. Let us talk a little bit about their so–called upkeep. Corrections spend $67 million a year for health care for criminals. Some of that money is for sex changes and cosmetic surgery. Programs for special offenders, natives, females and the handicapped have $23 million. Education and personal development programs cost $65 million. Prisoners have cable TV, computer systems, babysitting services, conjugal visits with wives, girlfriends, and in some cases prostitutes they have golf courses, health spas, cottages. The list goes on and on.

Maybe the government should consider charging GST on some of those services to recoup some of the lost money. The government wants to claw back that money and support that system further? It is absolute nonsense. Prisoners get laptop computers and educational services costing millions and millions of dollars. On top of all this, these criminals get paid. Is that not decent of Canadian taxpayers? I am sure they are feeling good about the support they are offering to this criminal element.

• (1555)

I am sure there are some students out there who are struggling this September because they do not have computers and have had to take out loans to go to school. I would like to see some of that money directed to them. Meanwhile, the government gives out goodies to crooks. It is unbelievable.

The government wants to claw back some of the money it pays to criminals for sitting in jail. Do not pay them in the first place. These millions and millions of dollars should and could be spent more wisely helping victims instead of paying for prostitutes to visit prisons, helping victims instead of paying for sex changes, helping victims instead of helping the criminal. That is a novel idea for a Liberal.

This bill does nothing to offer treatment or compensation to victims. Instead it takes a little bit of money back from the criminals and puts it back into the pocket of the government, that will turn around and supply them with the same type of material.

The government claims that this bill will make offenders who are convicted of a new offence while on parole serve one–third of their new sentence before being eligible for release. What we need is a law that insists that any offender convicted of a new offence while on parole must serve the complete time left on the previous sentence, be sentenced with a minimum period of time for reoffending while on parole, and then serve the full term of

the new sentence. How else will these offenders be convinced that to be given a chance to be a member of society they must be a member of society in good standing.

According to the solicitor general, between 1989 and 1994 no fewer than 78 convicted murderers murdered again while they were out on conditional release. These programs cost money, and we are going to throw it back into the whole thing by clawing back. Close to 5,000 people convicted of a lesser violent offence, such as child molesting, manslaughter, rape, or attempted murder, repeated their crimes while out on conditional release.

Canadians are demanding that real sentences be imposed. The other side will scream that this will not work, that locking them up and throwing the key away is not the answer. It is part of the answer. Even the members on the other side realize that locking up criminals is the answer. They did ask for approval for harsher sentences for hate crimes. Why are they giving them higher sentences for hate crimes? Is it not the answer? If harsher sentences will reduce hate crime, full term sentences for crimes committed while society has given someone a second chance will go a long way to prevent that person from committing another crime and maybe it will stop them from committing the crime in the first place.

Mr. Thompson: Get out and visit some victims and you will not smile so much. You will not find anything to laugh about.

Mr. Hanger: It is interesting to read what is included in this bill. What is more intriguing is what is left out. The Reform Party has been demanding that crimes committed with a firearm be given a full term sentence. If the government is so concerned about gun control and crimes involving guns, why did it not include full term sentences for offenders convicted of using a gun while committing a crime?

In conclusion, Bill C–45 is nothing more than a lame attempt by the government to reassure Canadians that it cares. This bill could have been useful. The Liberals had their chance. It could have been effective. However, it is not even close to addressing the real problem, and that is compensation for victims.

Mr. Wappel: Mr. Speaker, a brief point of order. I did not want to interrupt my friend from Calgary, which is why I refrained, but I wanted to stand on the same point of order the hon. member for Saint–Hubert spoke of earlier.

We are on report stage on this bill. These amendments are very specific amendments to very specific sections.

• (1600)

With great respect, there will be ample opportunity to address the general principles of the bill in third reading debate and opportunities to address capital punishment, gun control, no parole, or whatever. But if we are dealing with a motion such as Motion No. 1 which talks very specifically about what to do with the compensation that is paid to prisoners, it is my respectful submission that the remarks should be confined to the motion and not to the principles of the bill in general.

I would ask with great respect that the Chair be vigilant in the speeches that follow, not only on this motion and this group but other motions and other groups.

The Speaker: The point of both hon. members is well taken. I would encourage all hon. members to be quite specific in their remarks. I was not being facetious when I said the hon. member was coming to his point. In my view toward the end he came to it.

I would encourage that it not take as long as the hon. member wanted to take in setting up where he is going. I am sure all hon. members will understand that these motions are very specific and I would ask you, my colleagues, to pay very close attention to what you are saying with regard to these motions.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, bearing in mind the comments that have been made with regard to the point of order, I intend to stick as closely as I can to Motion No. 1. However, if I stray too far from the topic, I will certainly be guided by the Speaker's admonition.

I rise today to speak to Motion No. 1 of Bill C–45. This amendment proposed by the Reform member would ensure that the victims of violence receive restitution. Without this amendment 30 per cent of all income earned by an inmate would go to Corrections Canada to pay for room and board while victims or the victims' families are left empty handed.

The financial burden placed on victims who require psychological counselling or medical treatment is an added assault upon the victim and the victim's family. If money is to be expropriated from criminals it should be directed to the victims first.

Placing the victim first is a concept that the bleeding hearts of this country have yet to grasp. The rights of criminals have superseded the rights of victims for far too long. This intolerable situation must be reversed. This however can only be accomplished through significant changes to the Corrections and Conditional Release Act of which Bill C–45 is devoid.

I would like to read an excerpt from an article that appeared in the Montreal *Gazette* yesterday:

> A pedophile named Martin Dubuc was convicted last week for offences against children, again. This is the same Martin Dubuc who, as a boy's hockey coach in Laval, was convicted in 1986 for molesting team members, the same creep who, after his release from prison, did not let a lifetime ban on coaching in Quebec stop him.
>
> He simply changed locales, becoming a coach and eventually president of Minor Hockey Association of Southwest Montreal. But that neglect by the recreation establishment is an old scandal. The new scandal involves the schools. It came to light last week when Dubuc pleaded guilty to using the telephone to threaten several boys aged 10 to 13 and to incite them to touch themselves

sexually. Somehow, he had slithered his way into elementary schools as a substitute teacher. And this was not a slip up by just one organization. In recent years, three different school boards in the Montreal area had hired Dubuc.

The case illustrates the chilling ease with which predators with long criminal records can worm their way into positions of trust and authority to harm children.

The author says: "This was not a slip up by just one organization". One slip up occurred within our penal system and it is a slip up that occurs regularly because correctional services has not been empowered by legislation to keep dangerous offenders behind bars where they belong. However, the biggest slip up can be attributed to the federal government where there exists this warped mentality that places the rights of criminals before the protection of society.

• (1605)

Currently the Corrections and Conditional Release Act allows the National Parole Board to suspend the parole or statutory release of federally sentenced offenders. Conditional release can be suspended for a variety of reasons but for sex offenders it is usually because there are indications of impending further sexual offence.

This provision within the Corrections and Conditional Release Act is necessary particularly in the case of child sexual predators who prey upon the most innocent members of our society. Sex offenders have one of the highest repeat rates of any criminal group with an estimated 40 per cent reoffending within five years of release. However, this provision is not enough.

Bill C–45 is a watered down version of a Conservative bill. The Tory bill called for the full term detention of dangerous offenders and for the continued detention of those determined to be violent criminals at the end of their sentence. There are absolutely no provisions within the act nor are there any amendments in Bill C–45 to detain an offender identified through due process as being at high risk to reoffend. Unless someone is deemed a dangerous offender prior to sentencing, indefinite detention is not permissible afterward. This situation must be rectified.

The Correctional Service of Canada in co–operation with the National Parole Board, the appropriate attorney general and a judge must be given the power to examine the prison history of offenders, including reviewing the courses they have taken and the perceived impact of those courses in controlling their behaviour. They should be able to order a psychological assessment of an offender during the last year of the criminal sentence if they have reason to believe the inmate still poses a threat to society.

If the offender is deemed a high risk to reoffend they should have the authority to keep that individual locked up. An omission of this nature is indicative of a government that does not understand that crime prevention includes the reduction of opportunities to commit crime. It is suggestive of a government that places the rights of the criminal ahead of the rights of the victim.

Last week the news media carried the admission of the Minister of Justice that he was somehow guilty of not funding crime preventive measures because of fiscal restraints imposed by his government. A provision of this nature, an amendment to the Corrections and Conditional Release Act which could be facilitated through Bill C–45 is a preventive measure, a measure with relatively low financial cost compared to the very high return of the saving of innocent lives.

This omission by the solicitor general was not missed by my colleague from Surrey—White Rock—South Langley. I would like to take this opportunity to commend my Reform colleague for filling this necessary gap in the corrections bill through her private member's bill.

Bill C–240 if passed would keep individuals convicted of serious violent crimes who are deemed to have a high risk of repeating their crime off the street, something Canadians are demanding. Canadians can no longer tolerate a corrections system that releases high risk offenders back into their communities. They can no longer tolerate it.

Statistics revealed yesterday by well–known columnist Diane Francis showed that between 1989 and 1994, 78 convicted murderers murdered again while on conditional release; 4,960 persons convicted of lesser violent offences such as child molestation, manslaughter, rape or attempted murder repeated their crimes while on conditional release. Ms. Francis points out that this includes only those who have been caught.

Canadians can no longer tolerate the likes of Wray Budreo, who psychiatrists diagnosed as a sadistic pedophile having a 30–year history of molesting children, being released unsupervised from a maximum security prison because correctional services did not have the power to detain him even though the parole board ruled him likely to reoffend. They cannot tolerate it because the cost is far too high.

Not being able to assess and detain Fernand Auger cost Melanie Carpenter her life. The release of Joseph Fredericks, a man with a 34–year history of sexual assault, assessed by case workers to likely commit further violent sexual crimes cost Christopher Stephenson his life.

• (1610)

I will end by quoting a letter written by Andrew Tate which appeared on February 16 of this year in the *Times–Colonist*, Victoria, British Columbia:

My heart and support go out to Steve Carpenter, family and friends regarding the abduction and murder of his daughter Melanie. I support his crusade to change the parole system for convicted, violent sex offenders and I strongly agree with the two angry Reform justice critics' demands that there should be no parole for violent offenders. Our premier agrees on this serious matter. Violent sexual offenders should not be granted parole for any reason and should serve out their full sentences. The federal government must enact tougher legislation. I believe that Melanie Carpenter's death could have been avoided if we had a more competent, no-nonsense, justice minister.

I conclude by saying that I believe the words of this Canadian reflect sentiments which echo throughout the country.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, it gives me great pleasure to address the motion which was made by my hon. colleague from Wild Rose. In that motion he proposes that we require the offender to pay restitution to the victim of an offence committed by the offender. We cannot separate this motion from any of the other concerns which we have with respect to the bill.

I have stood in the House many times and said these very words: This bill is a step in the right direction, but it does not go far enough.

Who can argue with the intent and the measures proposed in the bill? For example, strengthening the power of the National Parole Board to detain high risk sex offenders until the end of their sentence. That is very good. Strengthening the sentencing provisions for any person convicted of an offence while out on conditional release. All right. Strengthening the accountability of members of the National Parole Board or expanding the list of offences which would allow the detaining of offenders to the end of their sentence, or allowing Correctional Services Canada to deduct the costs of incarceration from income earned from offenders while in penitentiary. Good. That is the point we come to. What is going to be done with that money?

The signal which needs to be sent to the criminal element is that their victims are hurting and the money which they earn should go to help those victims. Their crimes have hurt certain people. I would even go so far as to say that those people should not even be let out until they have compensated them.

The point I am trying to make is that many of these things are a step in the right direction, but they do not go nearly far enough.

While I was travelling and spending the last two years listening to my constituents, one of the people I talked to about the failings of our criminal justice system said: "You cannot argue with these proposals but the Liberals do not go far enough. What are they afraid of? Why do they not do what is right? Why do they not fix it completely and not just tinker with it? Why are the Liberals afraid to bring in legislation which is as tough as the people want?"

Liberal members have to be hearing the same pleas that we Reformers are hearing. Why would the government not bring in legislation which would make these people happy? Why would the Liberal government not bring in legislation that would get really tough on criminals? All the government has to do is do what the people are asking.

Here are some of the things they are telling me about the criminal justice system and what should be in the bill: Force these criminals to compensate their victims for the loss and suffering. I heard the Liberal member opposite say that it is already there. Why is it not happening? That is a very weak excuse for not approving the motion which the hon. member for Wild Rose has put forward.

There should also be no statutory release for violent criminals and sex offenders. When a prisoner has breached the conditions of their parole or conditional release once, they should be kept in prison until the end of their sentence. Details of released child sex offenders should be accessible to all police forces in Canada. That should be in here.

• (1615)

When prisoners receive an additional sentence while serving a prison term, the prisoner should serve the full term of the sentence remaining for the first offence and then the full term for the second offence. That is what people are telling us. Parole and conditional release should be revoked not just in the case of a conviction for another crime but for being suspected of another crime.

Parole board members should be held accountable and liable for the mistakes they make by releasing violent criminals who then go on to commit violent acts. They should be held accountable.

The number of appeals that go to the parole board by prisoners should be limited to no more than one appeal every two years. I realize that again we are taking a step in the right direction.

Violations of prohibition orders imposed on sex offenders should result in an additional prison term.

There should be automatic HIV or AIDS tests for all prisoners and all sex offenders. When I visited the prison in Prince Albert this summer I was appalled that these people did not have to submit to these tests. Prisoners should lose some of their rights. They should have to compensate their victims. They should not be putting other people in prison at risk because they will not submit to HIV tests.

Bad behaviour in prison should result in extended sentences or even corporal punishment. The guard that I talked to said this should happen. Otherwise what can be done with them is very ineffective. Corporal punishment should be reintroduced for prisoners who misbehave. They were saying to bring back the paddle.

I should like to give a case study on how the corrections system fails us. In June a person sent me a copy of a warning bulletin issued by the Metropolitan Toronto Police which reported the release of a habitual criminal from prison. The person had a record of over 100 criminal convictions, was a known member of a motorcycle club, was known to be involved in the distribution of heroin, and was considered by his case management team as a high risk to reoffend. The warning to police officers was as follows:

> Warning! Subject is extremely violent and should be approached with caution! Any police contact whatsoever with the above named individual should be reported immediately to the reporting centre.

Canadians will find it incomprehensible that the National Parole Board let this guy out of prison. The solicitor general explained it this way:

> In light of these legislative provisions, it was determined that this person did not meet the criteria for detention.

If this hardened criminal considered by his case management team as a high risk to reoffend and known to be extremely violent could not be kept in prison because of legislative provisions, who can be kept in jail? The people of Canada are demanding that this law be changed and changed now.

The solicitor general admitted the failure of the corrections and parole legislation and system by reporting that this dangerous drug trafficker had committed further crimes while on conditional release and that he had been arrested by police. There is no excuse for such legislative and bureaucratic incompetence. If the Liberals cannot fix it then Canadians will know which party to put in power that can fix it.

The Ottawa *Citizen* reported on August 19 the victim impact statements of two Ottawa city police who were shot during an armed robbery attempt. One of the officers had this to say during the sentencing of the man convicted of attempting to murder him:

> I will never understand why a prisoner has to be statutorily released before completing their sentence when we have a parole system to decide if they are worthy of early release. Had these individuals served their full time for previous crimes they would not have been able to do this.

Maybe criminals should not be released until their victims have been fully compensated, until their victims have healed. It may make them think twice about what they are doing.

Frankly I just do not understand. No one I talked to can understand it either. The time to change is now. I appeal to Liberal members opposite and to the Bloc to support the proposed amendment that victims be compensated by the criminals for the crimes they have committed. I would like to see some real democracy in this place.

• (1620)

I would like to see some members opposite listening to the debate, listening to the arguments, judging for themselves, asking their constituents what they think about the amendment, and then voting accordingly. That is what should be happening and that is why I am making a speech saying that we do not go far enough in the House in fixing what is broke with the criminal justice system.

I was sent to Ottawa to be the voice of my constituents. If I voted for this bill I could not go back home and look my constituents in the eye. They demand better from me, and I suspect the Liberal members across the floor are being told the same thing.

I appeal to the House to support the amendment that would require criminals to compensate their victims more fully.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I rise to speak to Bill C–45, an omnibus bill which amends the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act.

I am pleased to support the amendment put forward by the hon. member for Wild Rose. It deals with placing responsibility and accountability for crime on the criminal, something which is sorely lacking in our justice system.

We are debating the bill as a result of Reform's focus on law and order and our belief and the belief of millions of Canadians we have received this message from that the rights of Canadians should be put first before those of the criminals.

The bill is not the government's idea. It borrowed the bill from the previous government and even watered it down somewhat. It contains some provisions that will help strengthen the justice system, for example the detention of offenders who commit sexual offences against children. However this provision does not go far enough. Why should offenders who commit sexual offences against women or even men be exempted from full term or continued detention? Are these not considered serious offences?

[*Translation*]

Mrs. Venne: Mr. Speaker, we are back to where we were a few minutes ago, that is speaking of Bill C–45 in general and not at all of Motion No. 1 which we have before us and which actually deals with inmates' income and the percentage that victims should receive.

This is not at all what the hon. member is in the process of speaking to us about. He is speaking of the bill in general. This is not the stage to be doing that, I believe. That is why I wished to draw your attention to this matter.

The Deputy Speaker: I thank the hon. member for Saint–Hubert. I am counting on the member for Vegreville to restrict his remarks to the motion before us at this time.

[*English*]

Mr. Silye: I rise on a point of order, Mr. Speaker. This is the second time the member has risen to make the same point.

I have sat in the House for two years now and have heard a lot of debate and comments on each issue. I believe it is in Your Honour's power to direct members on how close they have to stick to the exact meaning of a bill or an amendment. I have heard a lot of members stray. I cannot recall which speech but perhaps the member herself strayed sometimes to make a point, to get to a certain issue in a roundabout way. I think members are allowed to have that flexibility.

To continue to rise and object like this I do not think is in good taste. I feel members should be able to make their points. It is an important issue. It is something that is affecting the lives of victims of crime. I believe that you should allow—

The Deputy Speaker: The hon. member for Calgary Centre and other members will appreciate there is a standing order that requires members to be relevant to the matter before the House.

Most people would say that rule is observed more in the breach than in the observation of it. When we come to the report stage and we are dealing with specific motions I hope my friend would agree with me it is more important than in other stages that members try to speak to the debate.

I am sure the next remarks of the hon. member for Vegreville will relate directly to the motion before the House.

• (1625)

Mr. Benoit: Mr. Speaker, not only is that opposition party trying to take Quebec out of Canada but it is also disrupting the House, and I see no need for it.

I referred to the amendment of the hon. member for Wild Rose, the amendment we are debating today. It is absolutely and totally unjustified that the member from the Bloc would interrupt me after I made the connection.

The amendment of the member for Bonaventure—Îles–de–la–Madeleine which we will be debating later calls for full term detention for those convicted of sexual offences against children because serious harm is understood. For all other cases serious harm must be proved in court. It is time serious harm is understood for more of these serious crimes.

I fully support the amendment of the member for Wild Rose. His amendment will put some of the much needed common sense, accountability and responsibility back into our justice system. His amendment takes into account the rights of the victim, an individual who is all too often forgotten in our so–called justice system.

The Reform Party believes that the rights of victims instead of the rights of criminals must receive the highest priority in our justice system. When the rights of the victim and the rights of the criminal are in conflict, the rights of the victim must in all cases be given the highest priority.

The amendment calls for the offender to pay 30 per cent of his or her income as restitution or for psychological counselling for the victim of a sexual assault, aggravated assault or sexual assault with a weapon. This common sense puts some responsibility where it belongs, with the offender. Thinking about this amendment, I wonder why on earth the offender even gets a salary in the first place.

When we talk about common sense and accountability in our justice system, I am reminded of an interesting editorial written by Ted Byfield in the September 11 issue of the Alberta *Report* entitled "Memo to Allan Rock: Please check out what's going on in New York City". The editorial deals with the opposing concepts of the root cause of crime. I quote from it because it sums up the Liberal philosophy and shows why our justice system is in such a mess. The editorial discussed effective deterrents to crime as does the hon. member's amendment:

> Back in the '60s our sociological experts made an amazing discovery. Crime, they found, is caused by poverty and social circumstance. Criminals are therefore not responsible for what they do; "society" is responsible. Any notion of "blame" for a crime was thereafter reflected, or at any rate, any blaming of criminals. The idea of "punishment" was summarily jettisoned. Crime called for counselling, understanding, sympathy, not punishment. No longer must we think primarily of protecting the public from the criminal; we must protect the criminal from the public.

This type of thinking has been the theme of the politically correct and is still held by the Liberal government as it was held by the Conservatives and the NDP before.

Mr. Byfield went on to explain that this type of thinking has placed us in the mess we find ourselves in today. He cited the experience of William J. Bratton, a former police officer who was the security director for the New York subway system and is now the police commissioner of New York City. Mr. Bratton took the advice of two rogue criminologists who advocated cracking down on petty crimes because it would send a firm message on what kind of behaviour would and would not be tolerated.

When Mr. Bratton was the security director for the subway system he began cracking down on so–called petty crimes like graffiti and panhandling. The incidence of crime on the subway fell almost immediately.

• (1630)

After five years, Mr. Byfield writes, serious felonies fell by 64 per cent and robberies by 75 per cent.

By giving harsh punishments for serious crimes, this also sends a message to criminals that serious crimes will be met with serious punishments. This is the theme the hon. member for Wild Rose carries into his amendment.

Mr. Bratton continued this policy as police commissioner and the city experienced very similar results. The drop in crime has been very dramatic. Yet as Mr. Byfield explains, the criminologists were not pleased with the results. In the words of one criminologist it would verify the contention that crime is somehow a voluntary activity, that crime does not represent in any way the drives and forces and compulsions that are beyond the individual's control.

This is a quote from a criminologist speaking out against the view that we should be tough on crime. To repeat, in the words of this criminologist, being tough on crime would, with the results found in New York City, in the subway system and later in the city, verify the contention that crime is somehow a voluntary activity, that crime does not represent in any way the drives and forces and compulsions that are beyond the individual's control.

This reminds me of the Liberal idea that crime is motivated by poverty and other socioeconomic factors; society is at fault, the criminal is not responsible for his or her actions. On the other hand, Commissioner Bratton's view about the root cause of crime is very simple. Mr. Byfield believes the root cause of crime is criminals. I agree with him, although I recognize there are individuals who have experienced abuse and neglect which may lead them toward a life of crime.

However, ultimately it is their own conscious decision to commit a crime. It is within the limits of our self–control to choose not to commit a crime. The choice is made by each one of us, every day, and each one of us should be held accountable for our actions and decisions. The law must be changed to recognize this, that each individual has the freedom of choice when it comes to committing crime.

As a result of the focus on the rehabilitation of criminals instead of protection of law–abiding citizens, our society is living in fear of criminals.

If we are looking to point a finger of blame for the breakdown of our justice system, or maybe it should be more accurately called our legal system, we could point to a lot of people. When looking at our law makers, members of Parliament who have sat in the House, we can point to all of those members who have supported legislation based on the politically correct but incorrect assumption that the cause of crime is anything but the criminal and that the criminal somehow does not have the power to choose not to commit a crime.

If I were to pick a pivotal time and a pivotal statement, I would look to a former Liberal solicitor general, I believe in 1972, Jean Goyer, who consciously changed the focus of our justice system from a top priority of the right of citizens to feel safe and be safe and the rights of the victim to a new focus in which the rights of the criminal and rehabilitation of criminals were given top priority.

This is a sad commentary not only on the Liberal government of the time but on all governments since that time. I believe it is time now for a political party that is willing to change the focus back to the right of citizens to feel safe and to be safe to take control.

• (1635)

If the government does not do what Canadians want and if it refuses to change the focus back to what it was before the Trudeau government, we will be the government that will make this change. It will happen sooner than most of the members across the floor would like to believe.

I support fully the amendment of the hon. member for Wild Rose.

The Deputy Speaker: It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is: the hon. member for Frontenac—Agriculture.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, it is not my intention to take an undue amount of time in the Chamber this afternoon. However, there are two or three thoughts in my mind I would like to express to the members present.

There is an amazing paradox I would like to address for a moment. In an age when so many people benefit by proclaiming themselves to be victims of the system, victims of misfortune within their families and victims of circumstances, people who are victims caused by circumstances completely beyond their control, caused by the criminal activity of others, are almost if not totally ignored by the state and by their community.

People who have suffered enormous loss of property, health, vitality and life within themselves or of family members, which leaves them grieving for the rest of their lives, are given no credible attention. They are given no opportunity to express their loss. They are given no opportunity to recover from that loss. No one seems to be responsible for them. They are left to their own resources.

The attitude of some members of the House really startles me; an attitude of impatience as we talk about the victims who suffer the losses we all know about. The attitude in the House reminds me of a ruling class that does not care about what is happening to

the hurting of the people in our communities. I find that attitude deplorable.

When I hear the parliamentary secretary to the solicitor general say it would be too cumbersome, too problematic for some department of the government such as the parole board to figure out what compensation might be, I consider this to be nothing more than a lame excuse, not taking seriously the suffering of people who had this brought on them through no fault of their own.

There seems to be an attitude that those who commit crimes have no responsibility to the victims. They may be called to account by the courts but for the damage, the suffering, the hurt and the loss they have caused they have no responsibility.

We live in an era when we talk about people not being able to protect themselves; this is the job of the police. The consequence of that in rural areas like mine is that people are left defenceless if they keep the law. Yet when they become victims of this foolish notion there is no recourse for them. They are left to their own resources.

Until we as a nation of individuals are called to be accountable and responsible for what we do, what we do to other people particularly, we can see there is no motivation to care about what happens as a result of our misdeeds, of the crimes committed.

• (1640)

I call on the House to think about what responsibility means, to encourage our citizens as well as ourselves to be responsible in the small things certainly but in the large things as well.

I support this amendment because I believe those who commit horrible things and do irreparable damage and who cause victims should be responsible to those victims for the rest of their lives until those victims are on their feet or have regained what they have lost.

Let us in the Chamber be responsible. Let us be concerned about the victims in our communities. This is not an idle thought that has simply come to my mind. I as the member representing Cariboo—Chilcotin and Reform members are trying to represent the thoughts of our constituents who are saying give the victim a break. Give the real victim a break for a change. Take them into consideration when they have suffered loss and hurt. Simply wash the idea away that the criminal is the victim because the criminal is the one who has known what is right from wrong from the beginning and who chose to do the wrong thing. Make that person responsible. Give the victim the break.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I assure my hon. colleagues from the Bloc and from the Liberal side that I probably will refer to Motion No. 1 no less than eight or nine times during my speech. I am sure the hon. member will be checking that.

I am pleased to address Motion No. 1 to Bill C–45. The motion put forward by my colleague from Wild Rose deals with clause 25 of the bill. We find in the bill clause 21 in its current form that would see deductions from the paycheques of inmates who are involved in work programs within our prisons, deductions to go back to the prisons to pay for their room, board, clothing and things like that.

Like my hon. friend from Vegreville, I find it astounding, as I am sure do many Canadians who probably do not know about it today, that we are paying prisoners at all in our prisons. If someone commits a crime in Canada they are sent to prison as a punishment, although not for long enough, and now many Canadians will be astounded to find out they are actually getting paid.

The first thing that comes to my mind is whether this could possibly be another Liberal job creation program. The Liberals talk about their duty to create jobs. The Prime Minister has said they will give jobs, jobs, jobs. Now we find out our prisoners are getting paid. I did not know until today. The first thing I thought of was Liberal job creation. Now I understand. I find it unbelievable that prisoners are having a Canada pension plan. Are they having unemployment insurance deductions paid for them as well?

The main part of this is that they are being paid at all. Thirty per cent of their pay is being deducted and going back to the prisons. Nowhere in the bill can I see a significant acknowledgement as far as compensation to the victims of crime.

As my hon. colleague from Wild Rose stated in his motion, the least the government can do is recognize the victims in a meaningful way. The amendment put forward by the hon. member for Wild Rose would deal with that 30 per cent. I would rather my colleague had put 100 per cent in his amendment. One hundred per cent of anything paid to a prisoner should go to the victim of the crime that prisoner committed. I would have been happier with that than 30 per cent.

• (1645)

I would like to address the principle of the amendment. It is an amendment which would recognize compensation for the help which many victims have to obtain at their own expense following a crime. In the event that the victim of a crime has died, there should surely be compensation to the family to help them get over the trauma.

Motion No. 1 would see the clause amended so that the 30 per cent deduction would be redirected toward the victims. This is very important since we have seen that the bill does not effectively address the rights of victims. Motion No. 1 would see the 30 per cent turned directly over to the victim or the family of the victim should he or she be killed or the family is left in a difficult financial situation as a result of the offence.

Every day all across the country millions and millions of Canadians are crying out for justice. Every day across the country hundreds of thousands of victims of crime are left having to compensate themselves in some way for what has been taken away from them by a criminal act. Sadly, all across the country there are victims of crime who have died. They cannot cry out any more for compensation for the death which was caused by the crime. Their families are left to cry out for them and indeed they are crying out.

The government had an opportunity to do something about this situation but it has not in the bill. This is typical of the way Liberals deal with the criminal justice system.

It is always the victim who is left out when it comes to reforms to the Criminal Code, the Corrections Act or the Conditional Release Act. The Reform Party has said for years that the obligation of a government in formulating and creating a criminal justice system which works is to have as the number one priority of the criminal justice system the protection of society and indeed the protection and care of the victims of crime. In this country the number one priority of the criminal justice system is to look after the criminals, to look after the perpetrators of crime.

At one time we did have a criminal justice system. We had it until Mr. Trudeau and his Liberals came into the House. They thought they would rearrange things to make it a more just system. Just for whom? Just for the criminals. In this country when criminals need a friend they call a Liberal. That is the way it has been for more than 25 years. Those colleagues who sit on the opposite side of the House know it. There are many lawyers over there. They know it. They know what the criminal justice system is all about. They know it is made for the legal system.

Every once in a while a government gets a chance to do something about the criminal justice system and in this case a chance to address the victims of crime. Because of their weak–kneed, bleeding heart philosophy the Liberals do not have the guts to turn away from the Trudeauism which has been instilled in that party for the last 30 years. We have heard from the gutless wonders across the way.

• (1650)

Our policy on victims' rights has been clear from the very beginning. As I mentioned earlier Reformers have always stated that victims should be compensated for the crimes committed against them. We have even extended this principle into the stand we have taken on the Young Offenders Act. We have also argued that the Young Offenders Act should include the payment of some form of restitution to victims. The Liberals have not heard this because in their opinion someone who commits a crime is not really to blame because it is society that made them that way. In the Liberals' minds individuals are not responsible for the criminal acts they commit because society has made them that way.

That is why we see our justice system in a complete shambles. We see serious criminals being let out on early parole. We see reoffence after reoffence because of the justice system members of this Liberal Party and the Liberals here before them chose to run with. They have ignored the cries of millions of Canadians. They are ignoring the cries of the victims of crime across this country.

As we talk about amending clause 21 in Motion No. 1 Liberals are making jest of it. They are making jest of the fact that our party believes that victims of crime deserve recognition and compensation. The very idea that they make jest of our motion which was put forward in a most sincere fashion to try to establish a form of compensation for victims of crime is an insult to the victims of crime. They should be ashamed of themselves.

As I have said before there are many lawyers in that party. In their real lives they dealt with crime on a daily basis. They have seen the victims of crime. They know what we are talking about but because their philosophy leans more toward the rights of the criminal than the victim they make jest of our motion.

I have no problem whatsoever in recognizing the many victims of crime, the people who become victims of crime on a daily basis. We ask that all members support Motion No. 1 which deals with clause 21 in Bill C–45.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure today to speak on Bill C–45, amendments to the Corrections and Conditional Release Act but it is also a disappointment. Once again we see another bill that shows the government is engaging in its usual modus operandi which is to do window dressing.

As I spoke about yesterday this bill can be viewed as a metaphor for governments not only here but in other parts of the world. There is one thing I have discovered since being in this House. When we have a problem do we address the problem? Do we find the best solutions in the country, apply them to that problem and implement those solutions if only on a pilot project? The answer is no. We nibble around the outside of the problem and make it look like we are actually doing something. We study it, examine it, report on it but do we truly act on it? No we do not.

The reason governments do not act on the problem is they are afraid of rocking the boat and incurring the wrath of usually a minority within the country. It is a shame and a disservice to every Canadian that we are engaging continually in this behaviour.

I would say to the government that you would win enormous points in the public's favour if you were truly to address the problems that affect us—

The Deputy Speaker: I would ask the hon. member to please put his remarks to the Chair rather than using that horrible word you.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, my apologies, it is early on in the year.

The amendment to clause 21 in Bill C–45 which we wish to put forward addresses the victims of crime. It ensures that they truly have a legal standing within the system. It is unfortunate that this bill does not truly do that.

• (1655)

We want to give this bill teeth. We want to make sure that this bill has action, that it is going to actually address the problem. Therefore my colleague has put this amendment that would enable victims to have 30 per cent of whatever moneys the offender earns during incarceration. Those moneys would be applied to the victim.

Personally I find that insufficient. The moneys that should be applied which are earned by an individual who is incarcerated—and personally I find it amazing that they are actually earning anything at all—should go to two areas: one, the victim and two, the state, to provide restitution to the state for moneys that are spent by the state to incarcerate that individual.

The public might be appalled to find out that for adults incarcerated in a federal institution it will cost $60,000 to $70,000 per person per year. If it is a young offender that number jumps to $90,000 per young offender per year. Why should the public pay for that?

Here we have a solution which our party has put forward, that those moneys can be used for the victim. I believe other moneys should be used to be applied to the costs incurred by that individual being incarcerated.

When I worked as a physician and as a correctional officer in prisons, I found it absolutely appalling how the system failed in so many areas. It failed to prevent crimes from occurring. It failed in the restitution to the state and the restitution to the victim. It failed also in imparting to criminals that with their actions there is a responsibility for those actions. If a person is willing to commit a crime, no matter what their background is their past history does not exonerate them from the actions they have taken. The action they have taken almost always produces a victim.

That is why we are putting the amendments forth in this clause. It is to ensure those forgotten victims are achieving restitution, which I am sure in 95 per cent of the cases will be insufficient, to provide for the counselling, the loss of income, the hurt, the pain that those victims have endured through no fault of their own whatsoever.

There are other things I would like to say with respect to failures of the justice system in this narrow area we are speaking about. One thing I did see is there are very few disincentives to crime. When I worked in the jails, time after time I saw repeat offenders coming in who have shown and continue to show a wilful disrespect for society and for their victims.

That is why we are putting this amendment forward. In a society where being a victim is in vogue, and I say victim in parenthesis, the true victims we have in our society, the victims of criminal acts of others, are indeed being forgotten.

I will give a simple case. A young boy in my riding who was about 11 or 12 years old, disabled and wore a brace was sexually abused by an older teenager. After all was said and done and the conviction went through, the older teenager who had committed these offences received an amount three times as much as the victim received. In fact the victim did not even have enough money to afford the counselling he required.

What does that say about our system? I did not have anything to say to the mother who came to my office because I was appalled and ashamed that we allow this to happen in this country.

It is true that many people who do commit acts of crime are indeed victims on their own. That though is a different topic. We are talking about the victims of those crimes. Again we must ensure that those victims' rights are held in the highest form over and beyond those of the criminals. Criminals do have rights, yes, but in balancing those off with the victims it is important to realize that it is the victims' rights that should be held in the highest esteem.

There are other things that we are not able to do, that is, preventing crimes before they happen, identifying the persons who commit crimes and doing something about that.

• (1700)

I strongly implore the Minister of Justice to work with his counterparts in the provinces to look at interventions that can be made at a very early age. The pillars of a normal psyche are developed in the first seven years of life. It is imperative that if down the line we are to reduce the incidence of criminal activity we address the children who are at risk of not developing those pillars of a normal psyche.

A lot has to do with the socioeconomic and family milieu these children tragically endure. Some of them go on to a life of crime and then there is a duality of innocent people being victimized and the criminals who if they had been caught at an early age perhaps would not have engaged in criminal behaviour. I encourage the hon. minister to please look at this. We could be very forward looking with this.

I draw attention to a private members' bill by my colleague to address a very important aspect of those individuals who when they are to be released from prison are known dangerous offenders in society. We must have the power within our justice system to incarcerate individuals beyond their length of sentence if at the time of their discharge they are proven to be a significant threat to society.

I encourage all members to support that bill. It is in the interest of public safety and all Canadians. I hope members will support my colleague's motion which will ensure victims receive the restitution they so justly deserve.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I am pleased to speak on Motion No. 1 of Bill C–45 today.

Bill C–45 amends a series of acts which deal with all types of offences and the release of offenders from incarceration. There are 26 amendments proposed to the bill which members of the House will address over the next few days. Today we are debating Motion No. 1 brought forward by my colleague, the member for Wild Rose.

The bill has many shortcomings. One way to rectify this would be to address the concerns of Canadians. The one I must stress is the one I hear from my constituents and other Canadians: the victims are forgotten. There is no greater threat to the faith Canadians have in their justice system than the belief many have that criminals have more rights than the victims.

In the aftermath of a terrible crime it is the victims who must pick up the pieces of their shattered lives and move on. The impact of a crime committed against them is immense. It covers every aspect of their life. There is the emotional toll, the physical toll and the economic toll. Motion No. 1 attempts to address some of these concerns.

Simply put, the motion calls for amendment to clause 21 of the bill so that 30 per cent of the income an inmate earns goes to the victim or the victim's family. It is a simple concept that calls for the offender to pay some sort of restitution for the crime he or she has committed. If criminals had to pay 30 per cent of their income to the victims it would make a connection to the criminals that they have to pay in two ways for their crime, through incarceration and financially.

In my community of Maple Ridge there is a youth and justice advocacy committee. It is patterned after a program that has existed in the United States for some years. It deals with first time young offenders. It requires them to make some restitution for their crimes. In these cases they are not violent young offenders, not using guns, they are first time offenders, stealing cars and so on. There is a volunteer group in my community that meets once a week with the young offender who has to also be present with a guardian or a parent. The young offender is given a job and the minimum wage earned from that job goes to the victims. It has been very successful in the United States with an over 90 per cent success rate. In my community it has been operating for only a year but it is having a phenomenal amount of success.

• (1705)

In order for the impact to get to criminals on what they have done, whether they are young offenders or not, they have to somehow pay for their crimes. A financial payment always hits home.

In the more serious ones which we are talking about now, Motion No. 1 in Bill C–45, the criminal would have to make that financial payment to the victim. Victims would finally be getting some kind of recognition. That is very important.

In the case of sexual assault, aggravated sexual assault or sexual assault with a weapon, the victim can request that 30 per cent of the offender's earnings would help pay for treatment for the victim. I think members on both sides of the House can appreciate the long and painful recovery process from such an assault. Therapy can take years and it can be costly. We believe criminals convicted of the crime should help pay for the victim's restoration.

I urge members on both sides of the House to support this motion because it will send a message to Canadians that the victims of crime do count and that they are not ignored.

Every day Canadians are feeling let down by the justice system. They feel it is too lenient on the criminal and not enough emphasis is placed on the victim. This motion would send a powerful message to the victims that their concerns do count.

Accepting this motion would also help strike a balance with a provision in the bill that calls for the treatment of sexual offenders. It seems treating an offender to lessen if not eliminate the possibility of repeat offending is a good idea. However, it should not come at the expense of treating the victim. If funding for treatment or facilities is lacking the victims should receive priority.

The Liberal government always mentions the provisions for offenders to be kept beyond their treatment date. Let those provisions be implemented if there is a likelihood the offender will reoffend. As it stands now section 21 of the bill calls for 30 per cent of the offender's earnings to go toward paying Corrections Canada room and board.

In short, the government wants the criminal to help pay for his or her stay in jail. This is a good idea but we in the Reform Party believe the welfare of the victim is simply too important to be forgotten. There is no reason here for the government to reward itself over the well–being of the victim.

The amendment proposed by the member for Wild Rose is an important step to show Canadians the justice system and we as parliamentarians can and will respond to their needs. I urge members on the government side of the House to support this amendment.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I will give the House a bit of history about why this 30 per cent for room and board is in Bill C–45.

About two years ago, shortly after the election, I found out prisoners in Canada were receiving certain payments. I asked the solicitor general why they were receiving those payments. His comment was to acknowledge it. He said that in his bill coming forward to the people of Canada he would address that. How he addressed it was to take 30 per cent out for room and board.

If we address a problem with an answer of 30 per cent I suggest that 70 per cent is wrong. He has left out 70 per cent. Our amendment is light. Although I am in favour of it, I wish our member for Wild Rose had put a higher percentage in it.

I will give 21 reasons why it is light. These 21 reasons are benefits, things given to inmates in our prisons. I have spent a lot of time going through prisons, at parole boards, at hearings and so on.

Inmates today receive a room. It is not much of a room but it is paid for by the taxpayer. They get meals. Check the menu sometime. The Liberals should go to some of the institutions and check what is on the menus. They would say it is not bad for people incarcerated for various crimes, and it is paid for by the taxpayers.

• (1710)

They get counselling. They should have counselling. After all, if they are to come out we should do something to improve on what went in. That is paid for by the taxpayers. They get education. Good old Karla Homolka has her education paid for by the taxpayer. They get their clothing, and it is not bad clothing, paid for by the taxpayer.

Let us get into some other things they get in our prisons courtesy of the government. They get the right to refuse work. In our prisons today if a prisoner does not want to work he says no. That is not bad. Most of us on the outside have to work.

They have access to legal aid. How many know Clifford Olson has about 30 litigation cases before the federal government today? The federal government tried to stop him by filing litigation to stop him from filing litigation. Talk about a government that has gone weird.

They get legal aid. You ought to see the lawyers inside those prisons, standing there saying: "You need my help".

The Deputy Speaker: Perhaps the hon. member was not here earlier when a colleague used the word "you". I know we are all back at school, but I ask the hon. member to refer to the Chair if the word "you" is being used.

Mr. White (Fraser Valley West): Mr. Speaker, I was using the word "you" in a different context. If I want to refer to the people who should be listening, I will say Liberals or government.

If a prisoner is incarcerated for less than two years in this country they can vote in British Columbia. Who has a litigation case before the crown that if they are in excess of two years in a federal penitentiary they will be able to vote? Yes, the inmates. I suppose they will get that. Next the Liberals will be in the institutions looking for the vote from the very people they gave it to.

An hon. member: They will parole people to run.

Mr. White (Fraser Valley West): Let us talk about the money inmates get in prisons. GST rebates, congratulations. They get old age security. They get the Canada pension plan. They get the guaranteed income supplement because they do not make enough money with old age security. They do get medical but you and you out there have to pay for it. They get dental coverage. How many people have to pay for dental work? The government is asking for 30 per cent of their income.

Let us not forget about the free condoms. Let us not forget they can grieve virtually anything they wish. In the observations I made last year there were in excess of 3,200 grievances by inmates in the Atlantic region and in the western region. When they file a grievance there must be a grievance committee assembled of staffers and inmates, the chairman of which may be an inmate. Congratulations.

How many people know about project bleach? That is where we give them a one ounce bottle of bleach to sterilize their needles for cocaine intake. Congratulations, Liberals.

This must have been a mistake, but I found that several inmates last year were getting UIC cheques when in federal penitentiaries in excess of two years. The problem was their stupidity because they usually mail them to an address outside the penitentiary where nobody can find it. These guys did not think. They sent it to the prison and got it from there.

• (1715)

Let us not forget subsidized cigarettes. From a study we did last year we found that cigarettes are cheaper inside penitentiaries. The difference between the cost of cigarettes inside a prison and in a store on the outside is anywhere from 42 cents a pack to $1.62 a pack. I have had many people say that is not subsidization. However, when we checked with the solicitor general's department we found the reason they are cheaper by

and large is because they are bought in bulk by government employees, they are stored or warehoused by government employees and delivered back to the prison by government employees. But that is not subsidization; that is a service provided to the penitentiary.

Last but not least, let us not forget number 21. Ferndale penitentiary has one of the best nine-hole golf courses in Canada on its grounds. Yes, indeed.

When the people on the outside think about all this, they wonder what the hell is going on in this country. When it comes down to us removing 30 per cent, I say that is small in proportion to what they get, compared to what our senior citizens in this country get from government. I say we should take the vast majority of that money to provide restitution to the victims. Or we should make them pay for golf. Let them buy their own darn golf balls.

Enough is enough. This Liberal government does not listen. This Liberal government is at fault for most of these 21 reasons. It is time this changed.

The victims in this system are virtually left on their own. I have gone through this with victim after victim. I want to provide one short case of some victims.

There is a fellow in this country by the name of Wayne Perkins. Good old Wayne was in my riding. He got a young lady, encouraged her to go into a little building in her backyard. Once he got her in there he beat her over the head with a hammer, taped her hands behind her back, injected her with cocaine and raped her. He was sentenced a meagre six years. That good old parole board let him out shortly after three years.

What did he do while he was on parole? This is where Angela Richards comes in. Innocent Angela Richards was stabbed to death. She was stabbed 21 times, injected with cocaine. There was the same MO as before. I looked at the parole report, which was disgusting. It said this guy was perhaps coming along.

To this day I often wonder. When I was sitting in that sentencing hearing I thought there was something missing in the room. It was the parole board that should have been sitting there with the other 50 of us crying and wondering what the heck happened. There is more to life than criminals in this country. We have to stop giving them a higher priority than the victims.

It is hard to believe that in this country a victim cannot even go into a parole hearing and give a verbal response to why a person should or should not get out of prison. It is truly hard to believe why a victim in this country is not advised at all times where a parolee is, if they want to know.

• (1720)

Mr. Thompson: I know. It is not the Liberal way.

Mr. White (Fraser Valley West): That is right, it is not the Liberal way. Bonnie Lucas in my riding found that out when her estranged husband went to her house, burned it down while they were sleeping, and she just got her two kids and herself out. The guy goes into the pen. She asks the parole board to tell her where he is, if it ever lets him out, in case he comes back, and it will not do it. Once again the victim is ignored in favour of the criminal. It is wrong, wrong, wrong. Wake up over there and do something about it.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I compliment the previous speaker for revealing some of the aspects of our prison system that perhaps a lot of the Liberal members on the other side are not aware of. Now, having been made aware of that, they would appreciate what we are attempting to do here by making amendments to Bill C–45, which is an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act, and the Transfer of Offenders Act.

The first amendment that is being put forth by my colleague from Wild Rose is an amendment that will require offenders to pay restitution to the victim of an offence committed by the offender or to the family of the victim where the victim is killed or is unable to manage his or her financial affairs as a result of the offence. We are recommending 30 per cent of the gross of the prisoners' salaries be put into this type of an account.

As my colleague from Fraser Valley West suggested, perhaps that is too low. I agree. I feel that for too long now and for too many years Liberal justice ministers have basically developed and created a system of law where the criminals have more rights than the victims. I know there are a lot of lawyers on the Liberal side, who when they are in court know that with the criminal's rights they have to be careful how they tread or the criminal gets off, whereas in the whole shuffle the victim's rights, the parents of the victim if there is a death, and the people who are suffering are often forgotten.

The purpose of this amendment in a lot of ways is not just 30 per cent of $8 a day or 30 per cent of the GST rebate or 30 per cent of the compensation a prisoner gets. Perhaps it is something far beyond that. Perhaps it is something that is more symbolic and this is only a small step, as when they first landed on the moon: a small step for man but a large step for mankind. Perhaps this is a small step for justice but a big step for victims and victims' rights.

It is a symbolic gesture. If something like this is ever accepted and Bill C–45 amended then perhaps judges in the future will be able to apply this principle. Future parliamentarians will then perhaps be able to look for other ways to compensate the victims who have been slighted or hurt. Rather than the current system

where victims have to sue in a civil case to get compensation or remuneration, if a criminal has any assets at all perhaps this would be the small step that would allow victims or families of murder victims to get some compensation.

Mr. Speaker, I do not believe you were in the chair, but earlier during the debate my colleague from Wild Rose was the first speaker. He spoke in his usual loud and boisterous voice and I had to take out my earphone. I certainly heard him loud and clear when he was talking about a phone call he received a few months back that caused his heart to sadden. It was from a former student of his whose wife had been raped at knifepoint and the fully identified accused was allowed bail. He stated that his wife was on the verge of a nervous breakdown, knowing that the rapist was at large.

• (1725)

This was not the only indignity to be experienced by this law–abiding woman. The constituent did not have the funds for counselling, treatment, or medical services that would reduce the trauma of the brutal assault. Yet the offender was receiving full funding out of taxpayers' dollars for whatever was needed.

We hope this amendment will assist that constituent to receive these medical services to assist and overcome the trauma resulting from the brutal assault by the rapist. This amendment will make the offender responsible for paying some of that care.

Perhaps it will help if offenders knew they would be deprived of 30 per cent of the tax dollars they receive in prison. Once again, I like what my colleague from Fraser Valley West said: it is too low. Why are we being so nice? Make it higher. Make it 50 per cent; make it something that hurts them. They do not get much, and what they get they spend on items like cigarettes and other amenities that were described, which I find obscene. Take that 30 per cent to 50 per cent away from them and have it go into a fund that is available for victims and their families. Those amenities and privileges offenders get they find very valuable while they are in prison. This means as much to them as an automobile means to somebody outside. Cigarettes or these other amenities become something they really need. Therefore, while it is not much in dollars and cents, it does have some value to the prisoners. As I said, it is symbolic. Hopefully the legal system can use this as a stepping stone.

If they knew they had to pay a price even while they were in prison, while it may not prevent the crime of future perpetrators, perhaps it will make the criminal realize that crime just does not pay as much. When I heard the speech by my colleague from Fraser Valley West it almost sounded like some people have a better life in prison than out of prison.

For too long victims of crime have been an afterthought in our criminal justice system. Offenders receive full legal and medical support without regard to the hardships victims of crime are experiencing. This amendment will give victims of crime some consideration through this criminal justice system.

We have to start somewhere, and this is an opportunity to start, for the Liberal government to accept an amendment that is headed in the right direction. It is not huge. It is almost like we are recommending tinkering with the system by making such a small amount available to victims, as the Liberals do with the elimination of ferry services and with the introduction of these small taxes everywhere else.

The amendment will inform those who have committed crimes that there is a financial price to pay to the law–abiding citizen. Criminals are responsible for crime, not society. The amendment will make criminals realize that the justice system now accepts that if you break the law you pay two prices. One price is incarceration and the other price is paying money earned in jail from taxpayers' dollars to the victim for compensation or needed medical treatment.

For too long the government has talked about victims of crime but has done nothing for these victims. This is an opportunity for the government to put taxpayers' money where this government's mouth is. This is the opportunity for the government to finally do something meaningful for victims of crime. This is the opportunity for the government to really support women who have to try to live past a crime that has robbed these women of their peace of mind. This is finally an opportunity for the government to show Canadians that victims have rights and the government has a concern for victim suffering.

Once this principle is accepted in the Criminal Code it will help set the ball rolling, as I mentioned earlier. If the criminal has any assets, this is an opportunity for victims to at least get some compensation for what they have had to suffer. In some way, somehow and some day soon we have to do something for the victims. Far too long, far too often and far too much at a high cost to taxpayers we are supporting criminals and criminal activities and their rights over and above victims' rights.

[*Translation*]

The Deputy Speaker: I am sorry to interrupt the hon. member, but it being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CAPITAL PUNISHMENT

Mr. Ted White (North Vancouver, Ref.) moved:

That, in the opinion of this House, the government should support and work toward enabling legislation for a binding national referendum on capital punishment to be held concurrently with the next federal election.

He said: Mr. Speaker, there are very few things in democratic politics that stir up more contention and trepidation than the use of referenda. There are very few issues in politics that stir up more controversy and emotion than the issue of capital punishment.

That makes Motion No. 431 a motion with potentially far–reaching implications for Canadians. It combines the contention and trepidation associated with referenda with the controversy and emotion surrounding decisions about capital punishment.

However it is important to stress that Motion No. 431 is not calling for a return of the death penalty as some critics would claim. Yes, the issue is contentious, but the underlying principle of direct democracy which led to the filing of the motion is one of the founding principles of the Reform Party.

At a personal level, when I think back over the events of the last 25 years that underlying principle is the very reason I am standing in the House today. It started for me as a teenager in New Zealand 25 years ago when I worked on a campaign to help get elected an MP of the National Party in the Auckland area of New Zealand.

It did not take long for my innocent 18–year old belief in democracy to be shattered by the realization that within a very short space of time party line politics and the power of a party whip could destroy everything that my candidate had stood for. It killed the fires of change burning within him. It killed his resolve. It made him afraid to represent the very people who had placed him in that predicament.

I had a dream those 25 years ago that one day within these shackles we call a parliamentary democracy MPs would be free to represent their constituents and to invite them to help govern the country they work every day to support.

I never dreamed that I would one day be one of those MPs. It was never my ambition to work for change from within the system. Somehow the pieces just came together, one at a time. I joined the party which in 1989 had barely begun. Yet it had the principles of direct democracy as a cornerstone of everything that it stood for.

One of its first policy positions was to state that the people of Canada should have the right to make binding decisions through referenda on issues of personal conscience. Capital punishment is one of those issues of personal conscience and Reform policy material has always identified it as an issue to be put before the people.

I submitted Motion No. 431 in April of this year, well before the controversial Bernardo and Deley cases came before the public. It was selected in the random drawing of private members' business on May 29. In the first week of September I learned that it would be debated in the House today.

The motion reads:

That, in the opinion of this House, the government should support and work toward enabling legislation for a binding national referendum on capital punishment to be held concurrently with the next federal election.

Every poll taken over the last decade has shown a major divergence of opinion between politicians and the public on the issue of capital punishment. Like it or not, public pressure will continue to build until we address this divergence of opinion either by bringing Parliament into line with the public or the public into line with Parliament.

Telling Canadians that they will not be allowed to decide is not going to make the problem go away. We need to place a clear question in front of them and allow them to make the final decision. All it takes is for us to agree to have an open and public debate followed by a binding referendum which will do the task of either bringing the public into line with Parliament or Parliament into line with the public.

• (1735)

Unfortunately there is a small problem standing in the way of implementation. Motion No. 431 is not presently votable, which means that the House cannot make its intention clear to the government. Without a vote we will be failing in our duty to represent the people who sent us here. For this reason, before continuing I would like to ask the consent of the House to make the motion votable.

The Deputy Speaker: The hon. member has asked for the consent of members to make the matter votable. He will know as well as anyone that it requires unanimous consent. Is there unanimous consent by the members present to make it a votable motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: Having heard some members indicate no, the hon. member may continue with his intervention.

Mr. White (North Vancouver): Mr. Speaker, I do not suppose too many Canadians will be surprised that government members do not want to make the motion votable. The elitism of

an old line party is well entrenched and democracy does not easily penetrate its protective shell. In their hearts they must know that they have made a bad decision. They have ensured that we will face the wrath of the growing number of Canadians who see their justice system in disarray.

Canadians see a system unable to protect them from young punks who can commit crimes with immunity and hide anonymously behind the curtain of the Young Offenders Act. They see a system that releases dangerous offenders into their midst on bail or after minimum sentences for an outrageous crime.

They see representatives at a meeting of the Canadian Police Association in Vancouver telling the Minister of Justice that over 95 per cent of policemen want return of the death penalty. They see members of that same police association telling the minister that if he does not address their concerns they will make an election issue of capital punishment.

These are well informed law enforcement personnel telling us there is a problem. If they are telling us there is a problem, there is a problem. In the meantime it looks as though the government side will continue to hide its head in the sand, pretending that everything is working well and refusing to address the concerns of its citizens.

Canadians from coast to coast are sick of politicians and pointy headed professors telling them what to think about crime. They know that their streets are more dangerous than they were 20 years ago and all the statistics in the world will not convince them otherwise.

For example, Canadians hear academics arguing against the return of capital punishment by claiming that the murder rate has decreased since capital punishment was abolished in 1976. It is absolutely true that there has been a slight decrease in the murder rate since 1976. However those same academics seem to conveniently forget to mention that the last hanging in Canada took place in 1961, some 15 years before, and that there was a sharp jump in the murder rate in the 15 years following the last hanging. In fact it almost doubled. Even now, in 1995, the murder rate is still 50 per cent higher than it was in 1961 when the last hanging took place.

The slight drop in the murder rate since 1976 probably has more to do with demographics, the number of young males in society, than it does with the abolition of capital punishment. Are we going to allow the public to discuss these things and to learn the truth? No.

The House has let the people down again today. It has denied them a voice in the decision making of their government. Sadly the chances are that probably not many of them noticed. Their contempt for the system is well founded. They know that the outcome of virtually every vote in this place is predetermined long before the debate ever begins.

I will try again another time with other motions and private members' bills designed to give the public a voice in government. This issue has not gone away and neither has the pressure for democratic change. The system has entered an irreversible period of evolution that I hope will soon see a majority of MPs insisting on their right to represent the people who sent them here instead of caving in to the orders of the whip.

• (1740)

The Deputy Speaker: Did the member indicate that he wished to share his time with a colleague?

Mr. White (North Vancouver): Mr. Speaker, it was my error. I meant to mention at the beginning of my speech that I would be splitting my time with the hon. member for Surrey—White Rock—South Langley.

The Deputy Speaker: I have never been in the chair when someone who is the first speaker on a private member's bill has divided his or her time. Is there unanimous consent to allow the hon. member to divide his time?

Some hon. members: Agreed.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I thank my colleagues for the opportunity to share the time of my colleague from North Vancouver.

It is a pleasure to speak on the motion of my colleague from North Vancouver calling for a binding referendum on the question of capital punishment. The motion has two very important elements: the use of referenda and the issue of capital punishment. First I would like to discuss the issue of a binding referendum.

While the old line parties prefer a system where the average citizen of Canada is entitled to exercise his or her franchise only at election time, the Reform Party believes in a more participatory electorate.

Central to the Reform Party's policies on political reform, we believe that the citizens of Canada should have the ability to directly participate in the formulating of legislation on such moral issues as abortion and capital punishment.

The old line parties say that their constituents elected MPs to represent them in Ottawa. That is true, but seldom in the past have MPs from the old line parties ever faithfully represented the views of their constituents. Maybe, if they had, there would not have had to have been the Reform Party. Instead MPs used what they perceived as a moral superiority to disregard the sentiment of their constituents and voted as they saw fit.

The previous free votes on capital punishment are typical of this attitude. How many of those who voted against the reinstatement of capital punishment voted in accordance with the views of their constituents? Considering the fact that the polls over the last 10 years have consistently shown that support for capital punishment hovers around the 70 per cent mark, that

means the last time there was a free vote on the subject a number of MPs ignored their constituents.

It is this attitude that necessitates giving the electorate a direct vote on the issue of capital punishment. To object to a referendum is to say that the people cannot be trusted to make the right decision. If that is the case, these same people should not be trusted to elect their representatives or to vote on whether or not to separate from the rest of Canada. As the referendum on the Charlottetown accord showed, the average Canadian possesses a wisdom that frequently escapes those whom they elect.

I have no hesitancy in entrusting my constituents with the power to vote in a referendum. We put forth our position and we let the people decide whether they agree, like an election. Although it is extremely unlikely that the Liberal government will ever permit a referendum on capital punishment, I will nevertheless state my position for the record.

I believe the death penalty should be an option for the jury to decide after convicting an individual of first degree murder. Once again I am putting my faith and my confidence in the common sense of the common people. If we can entrust them to decide whether or not we should reinstate capital punishment, we should also provide them with the responsibility to determine if it is an appropriate sentence in a particular case. I am confident that jurors would use this power wisely.

• (1745)

One need only look at the Susan Smith trial held in South Carolina earlier this year. Smith was charged with murdering her two young sons by strapping them into her car and rolling it into a lake. At her trial it did not take a jury long to convict her. Then the jury was tasked with deciding if Susan Smith would be executed or would receive a life sentence.

Despite the horrific nature of her crime it did not take the jury long to reject the death penalty and impose the life sentence. This is a prime example of how the people when given the responsibility to make life or death decisions will exercise that responsibility judiciously.

It is my opinion that the 12 men and women who sat on the Bernardo trial jury should have been entrusted with that same responsibility. Who better than those 12 individuals, the people who sat through the videotapes, who listened to the testimony of both Paul Bernardo and Karla Homolka, should have determined his fate? If they had had that responsibility I am not sure what they would have decided but I am convinced they should have had that option.

However, I have little doubt about how a jury would have decided 14 years ago when Clifford Olson had his trial. Instead we have punished him by giving him a life sentence, one that is costing Canadians close to $100,000 a year to maintain. Thanks to a recent court ban, Canadians no longer are subjected to Olson's ramblings to the media. We no longer have to listen to his complaints about the quality of the popcorn he gets to eat while watching movies on his personal television.

Unfortunately next year Clifford Olson gets the spotlight once again. Thanks to section 745 of the Criminal Code, Olson gets to have a jury trial next year to see if his 25–year parole eligibility should be reduced. Although I doubt that anyone would ever consider releasing this monster the mere fact that Olson gets such a platform is an outrage.

Before commenting on arguments about whether or not capital punishment is a deterrent, I would like to state that the death penalty would serve a useful purpose if for no other reason than to dispatch the occasional monster like Clifford Olson.

With regard to the deterrence value of capital punishment, many opponents point to the United States as an example of where it has not been a deterrent. First, look at the numbers closely. Between 1977, the year the United States started to reapply the death penalty, and 1992 there were 188 executions carried out in the United States. During that same period there were 338,480 murders which means that a murderer in the U.S.A. has a 1 in 1,800 chance of being executed. With odds like that, how can there possibly be a deterrent?

No matter which argument is used we know the Liberals are not prepared to reintroduce capital punishment. The residents of Surrey have just suffered the third tragic murder of a young girl within the past year. When 10–year old Melissa Deley was abducted from her bedroom, sexually assaulted and murdered the citizens of Surrey said enough is enough.

I have received hundreds of calls from individuals telling me that if the federal government is not prepared to enact the laws to protect them then they will take whatever measures necessary to protect themselves. While I do not condone any form of vigilantism such acts are likely to occur because of inaction by this Liberal government.

My constituents elected me to ensure their voices would be heard in Parliament so they would be able to participate in the democratic process. To that end I ask for the unanimous consent of the members present that this motion be deemed votable for Thursday, September 28.

The Deputy Speaker: The motion is a little different from the motion made by the previous member. Is there unanimous consent to accede to the member's wish?

Some hon. members: No.

The Deputy Speaker: There not being unanimous consent the member's time has expired.

• (1750)

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am very pleased to have the opportunity to speak on this motion. It is one that has been mentioned many times in the House.

Members opposite have pointed to capital punishment as being the panacea, the solution to the problems of our criminal justice system and the crime that exists in our communities. I certainly do not agree with that. I think they are on the wrong track. The job is much bigger than that and we should not look to a simplistic solution that will not have the effect society wants which is the reduction of crime in our communities.

The member for North Vancouver said that the government will probably bring up the fact that the murder rate has gone down since capital punishment was abolished. He is right, I am. Before capital punishment was abolished the rate was 3 per cent. In 1987 when the last major debate on this subject took place the rate was 2.42 per cent. In 1994 it was 2.04 per cent. The murder rate is continuing to go down.

The member talks about the Canadian Police Association voting unanimously in favour of reinstating capital punishment. He is pleased to quote the Canadian Police Association when he talks about capital punishment but he is not pleased to quote the Canadian Police Association when he talks about gun control.

He also talks about the fact that there has not been an execution, capital punishment in Canada since 1951. Yet the rate was higher around 1965 when the debate started than it was in 1951 and the rate today is higher than in 1951. He is saying that it was not doing away with capital punishment that decreased the murder rate, but it had to be something. There were three debates on capital punishment between 1965 and 1976. Funny, strange, the murder rate started to go down when gun control was first introduced in 1978. The fact is if we are going to quote statistics there have to be reasons why these things happen.

The motion calls for a referendum at the time of a federal election. It has never been the policy in Canada to have a referendum at the time of a general election. It may be fine in California, but look what was brought forward in California, the three strikes law. A man stole a piece of pizza from a child and is now going to be serving 25 years because it was his third conviction. It did not matter that it was not a violent crime. It was his third offence and he is in prison for 25 years as a result of that. That law was the result of a referendum at the time of an election.

In Canada we want a federal election that is going to elect the politicians who are going to pass the laws. We want the people to concentrate on that. I do not think there is an overwhelming desire for a referendum on capital punishment. Members opposite may think there is, but I am not hearing that. I have to admit that I am not in favour of capital punishment. I do not think it is correct. Taking another life is not the answer.

Only the victims can tell you there is nothing more excruciating than losing a family member or a loved one through a violent crime. There is no question about that. It is completely hideous and absolutely indescribable. However there is nothing that is going to bring back a life. If anything could, there is no question the Minister of Justice and government members would do it.

• (1755)

What is the result of a death penalty? Half of the states in the United States that have reinstated the death penalty are not using it. In the ones that are sometimes year after year, appeal after appeal the death penalty is postponed. The execution is postponed and there are final appeals to the governor of the state.

These are emotional roller coasters for the families of the victims, no question. The constant appeals, the attention in the press of these delays are not in the interests of the families of the victims. That is not the answer.

What we need is a sound policy of crime prevention. The leader of the Reform Party talks about capital punishment and members of the Reform Party talk about capital punishment. We have to look at what is causing the crime. It is not going to do any good as far as the victim is concerned to punish the criminal. It will help society. It is a deterrent. It will give the family of the victim some feeling that society is conscious of the life that has been taken, but it is not going to do anything for the victim. The victim has been murdered.

What we want to do is protect potential victims, to stop these murders from happening. That is one of the reasons the Minister of Justice and this government have instituted a safe streets policy. Certainly gun control is one part of it and is a good part of it. Sentencing policy, Bill C–41, is part of it. The DNA provision is another part of it. We are going to be bringing forward more legislation regarding DNA.

We never hear about those things. All we hear about is the violence. Let us talk about how we can stop the violence. This is what the Minister of Justice wants to do. This is what this government wants to do and it is what the government is doing.

We also want to talk about how we can deal with young offenders, another very serious problem. Crime prevention is an integral part of the safe streets policy. Crime prevention begins with the day a child is born. Punishment is after the fact. Punishment is a part of it but the most important thing is to prevent crimes from happening. We never hear that from the Reform Party. We never hear discussion about how we can prevent crime from happening.

The time a child can be most influenced from becoming a child at risk or a future young offender is from the day the child is born to its third birthday. We have to do more in the early formative years, even in the early years when a child is in school.

We have to have the co–operation of the provinces. We have to have co–operation and understanding of all members of the House of Commons on that very important principle and basic attack on young offenders, on future offenders and future murderers.

Certainly we have had great examples of hideous crimes in this country in the last few months. Homolka and Bernardo are hideous examples. The policy of this government is not to piggyback on the hideous nature of these crimes to sensationalize a proposal for a referendum that is not going to do what the people of Canada want.

I have a very strong interest in this because Donald Marshall is a constituent of mine. In that crime the murder happened in my constituency. Guy Paul Morin is another example. We can say that those are only isolated incidents but they are two people who are still alive as a result of those isolated incidents and there are others.

• (1800)

We need to find lasting solutions. That is what this government intends to do.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, the hon. member for North Vancouver moved a non–votable motion urging the government to hold a referendum on capital punishment concurrently with the next federal election. Reform members have outdone themselves once again. Since they realize they may be swept off the electoral map in the next election, they are trying to exercise their mandate as legislators beyond the term for which they were elected to this House.

If Reform members think we will not take this seriously, they are wrong. Their publicity–hungry leader took advantage of the summer recess to try to revive the debate on capital punishment. Once the debate on gun control had subsided, he had to find something else to keep him in front of the TV cameras. Burned by the debate on gun control where they finally showed their true colours, Reform members have completely lost their sense of reality, trapped in neanderthal attitudes where repression is the rule and rehabilitation and presumption of innocence are vague concepts thought up by criminologists.

The legitimacy of the penal system is largely based on its effectiveness and fairness. Its underlying principle is the presumption of innocence, a fundamental principle of law which says that the accused is presumed innocent until found guilty following a trial.

Wrongful convictions undermine this fundamental principle. As the Parliamentary Secretary to the Minister of Justice said earlier, David Milgaard, Donald Marshall and Guy Paul Morin are three names we too often forget. Nevertheless, these individuals each paid an enormous debt to society, a debt they did not owe.

In Manitoba, David Milgaard spent 23 years of his life behind bars before his release. He was unjustly convicted of murder. The Crown's principal witness perjured himself at the trial.

In Nova Scotia, Donald Marshall served 11 years in the penitentiary for a murder he did not commit. Another inmate finally confessed. Thirty–five years old today, Guy Paul Morin paid a high price for a judicial error. He was falsely accused of the murder of young Christine Jessup. He was found guilty at his first trial. After nearly ten years in the penitentiary, Morin was acquitted thanks to considerable advances in science and DNA research.

These three men would have been dead and buried years ago if capital punishment was still the law in this country. Three innocent men sent to the gallows, murders ordered by the government. For all the Clifford Olsons and Paul Bernados that roam our streets, there will be innocent people convicted of crimes they did not commit.

In the United States, according to the Criminal Justice Research Centre, every year 6,000 people are wrongfully convicted of a serious crime. To my knowledge, there has been no similar study in Canada.

The trouble with capital punishment is that it is irreversible. I realize I am stating the obvious, but we must admit that once the injection has been administered, that is it. No appeal, no new evidence that would reverse the conviction and no opportunity to review an erroneous judicial decision.

If the conviction is, as in most cases, based on circumstantial evidence or even if the police manages to get an eye witness, the fact remains that mistakes are always possible and that a human life is at stake. And we cannot change our minds after the execution. I can see the headlines: "Posthumously acquitted".

• (1805)

But do not, above all, conclude that I am forgetting the victim in all of this. His or her life has also been taken. I want to see these murderers tracked down and sentenced severely, made an example of. I am thinking of cases like that of little Melissa Deley, barely ten years old, who was taken away from her home in Surrey, British Columbia, raped and murdered.

Calling for a referendum on the issue of the death penalty is a simplistic solution to a complex problem. Following the same logic, why not ask for a referendum on the budget or social reform?

Since they do not form the government nor are they the official opposition, the Reform members are trying in every possible way to usurp power by sneaky moves.

The Reform Party, especially the member for North Vancouver, wants to govern without being in power. Not content with representing a minority of the far right, for whom coercion is the solution for every ill, they now want to impose upon us their form of gang rule government. They want to pass statutes indirectly for which they have never received a mandate. Their hunger for power is equalled only by their cheap opportunism. You have to have a really colossal nerve to make political hay at the expense of victims and their families. In my opinion, calling for a referendum on all issues is not the way to fulfill the role of member of Parliament. Is this the only way the Reform Party has been able to find to divert attention from the only true referendum which will be held on October 30?

In 1994, 596 homicides were reported in Canada, 34 fewer than in 1993. This was the third year in a row that the number had gone down. The homicide rate was 6 per cent lower than the rate in 1993, the lowest rate recorded in Canada in the past 25 years.

Since we started gathering statistics nationally on homicides in 1961, two trends have emerged. Between 1961 and 1975, the rate of homicides rose consistently. Between 1975 and 1994, the rate decreased regularly, despite yearly fluctuations.

The transition period was therefore between 1975 and 1976. It was in 1976 that the death penalty was abolished in Canada. So much for those who contend that the death penalty is the way to reduce the number of homicides. Since the death penalty was abolished, murders in this country have decreased by 33 per cent.

The wind of the far right blowing over the United States is sending breezes of repression our way. Let us have a closer look. Many states already have legislation making it possible for a jury to condemn an individual found guilty of premeditated murder to death.

New York state has just joined the club and enacted legislation providing for the death penalty in cases of murder. Despite the fact that the United States has the death penalty, the homicide rate there has generally been three times the rate in Canada. The FBI reported more than 23,330 homicides last year, a rate of nine murders per 100,000 inhabitants. To give you an idea of what theses figures mean, 18,390 homicides have been committed in Canada in the past 33 years.

Let us be wary of handing over our criminal justice system to the Reformers. The Reform Party will put us back 1,000 years into the middle ages, when anarchy was the rule.

• (1810)

[*English*]

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, I want to commend my colleague and friend, the hon. member for North Vancouver, for his carefully considered motion.

It is an honour to speak on the issue of capital punishment, which has created a lot of debate in the country, perhaps even as far back as Confederation. It is not a pleasant topic to discuss. No one wishes to discuss the issues of death and tragedy. However, Parliament ought to be the place where we can freely discuss the issues that most concern Canadians.

Today in my area of British Columbia the issue discussed at coffee shops, in the barber shops, and in most local meeting places is the issue of accountability of murderers and how we as a community should respond.

Canadians are fed up with our justice system. Justice has gone. Perhaps it is seen as merely a legal system that does not represent mainstream Canadian values. Constituents observe how their local courts operate and how they produce fear and disgust rather than any sense of relief that officials are minding the store and doing their duty on behalf of the public.

The rationale that capital punishment does not deter really misses the point. It is 100 per cent effective to deter the individual murderer, as it would prevent the current practice where these kinds of criminals are released only to kill again. This happens in Canada.

My reason for speaking today is simple. The people have spoken. It is my duty as the member of Parliament for New Westminster—Burnaby to make those voices heard here in the House of Commons.

Reform MPs were elected because we agreed to vote the wishes of our constituents. That is something the Liberal government does not agree with. In fact, the Liberal government punishes its own members for doing so. The hon. member for Notre–Dame–de–Grâce was recently removed from his position as chair of the Standing Committee on Justice and Legal Affairs. It seems that if a member votes differently from the pack the Prime Minister will punish them.

My colleagues opposite do not agree with me that community representation is important. That really makes me begin to wonder who they represent. Do they represent the interests of those who elected them to sit in the House, or do they represent only themselves?

I know that the hon. member for North Vancouver did not put forward the motion simply to cause debate in the House, nor did

he do it to put himself at the front and centre of some political column or controversy. The hon. member for North Vancouver put forward Motion No. 431 because his constituents are calling for Parliament to revisit the capital punishment debate.

The majority of Canadians who support the revisitation of the capital punishment question did not simply wake up one morning and remark that we should create a death row. They are quite upset to see a person murdered in cold blood only to see the murderer get out of prison on parole a few years later. Who can blame them for being upset?

Canadians have a right to a national referendum on capital punishment. They have a right on these types of matters to have policy reflect mainstream values.

Opponents are saying that the murder rate will not decrease if the death penalty is reinstated, that a murderer will still commit murders regardless. It is not possible to make the country free of murder. We will never live in a sinless world. Capital punishment is not put forward as a panacea, and neither is it a simplistic solution.

Canadians want one thing: they want real justice. I do not think that the Minister of Justice and the Solicitor General really know what that is. They have their thinking clouded by some misguided social philosophy as they go on and deride the democrats, the Reformers, for speaking up on behalf of Canadians.

Let us make it specific. On September 6, 1995, Melissa Deley was sexually assaulted and murdered in Surrey, British Columbia. She was kidnapped from her own home. There was no reason for that to happen. It was a senseless killing. The offender should have been in custody at the time. The murderer hanged himself in his own jail cell just days later. That was not justice; that was suicide. The justice system failed us in this case. The system fails again and again.

As is to be expected with such a heinous crime, many constituents in Surrey wrote letters to the editors of our local newspapers. In one column a citizen wrote:

> Where are our lawmakers when these atrocious murders are taking place? Don't they hear the anguished cries of these parents for their children? Why are these monsters allowed to walk free while our country mourns its losses? For God's sake, wake up, people. The laws have to be changed to protect the innocent. Don't ignore what's happening because it hasn't happened directly to you. You could be next.

● (1815)

June 29, 1987 was the last time Parliament had a chance to debate capital punishment. When the motion came up for debate at that time it was defeated by only 21 votes: 148 to 127. Amazingly enough the Angus Reid poll taken in 1987 showed 73 per cent of Canadians in favour of the death penalty. One would assume that if 73 per cent of Canadians were in favour a similar statistic should have been displayed in the House at that time—not so.

If all MPs in the 1987 Parliament were true to the fact that they would represent their constituents perhaps the vote would have been more like 200 to 75.

This past month notorious murderer Paul Bernardo was sentenced to life imprisonment for the brutal slayings of two Ontario ladies. There was no disputing that Paul Bernardo committed the crimes. The evidence was black and white and the jury declared him guilty of first degree murder. The psychologist even showed that he was sane when he performed the murders and he remains sane today. If he is released from prison he will likely murder again.

On the witness stand observers said he showed no emotions and no remorse at all for the crimes. Now he will spend the rest of his life in a federal prison. Canadians are hopeful that Bernardo will not have the chance to murder again. However, they are sad he was given the chance to live while the innocent were not.

Opponents of capital punishment firmly state there is no need for any debate because the homicide rate in Canada is decreasing. The opponents may be correct in this statement according to Stats Canada. However the category of homicide includes first and second degree murder, manslaughter and infanticide. At the same time we checked that no person either in Canada or in the United States has ever been given the death penalty for a non–capital crime; that is, only those who commit first degree murder can be given the actual death penalty.

The vote on capital punishment in 1987 was not fair. The vote clearly did not represent the real wishes of Canadians. Members at that time did not consult with their constituents sufficiently. They simply came into the Chamber and voted for what they wanted. That historical action has never been accepted by the public as legitimate. Manipulation was rampant and every conceivable arcane rationalization was used by members to justify their vote. It was a day when the elected left their constituents behind and went their own way. We have suffered the consequences for the justice system ever since.

That is where Reformers are different. Not only do we try and listen to what the masses are telling us, we endeavour to put their words and aspirations into concrete action.

The motion is simple:

> The government should support and work toward enabling legislation for a binding referendum on capital punishment to be held concurrently with the next federal election.

Let the people speak. The Prime Minister has enough excuses to ignore such a plea. There would be little extra cost since it would concur with the next election. Individual members of Parliament would not have to worry about party lines. The people of Canada would simply decide. There would be no blame on an individual political party since the people would be given the chance.

Capital punishment is a special case of law making that transcends party politics. The Reform Party has no official position on the topic. However, a Reform government would be humble enough to bow to the will of the mainstream. Every voting citizen must examine their own conscience and solemnly enter that booth and make a choice for themselves for the kind of society they want to give to their children.

My appeal today is for democracy. My appeal today is for a referendum.

I now seek consent of the members present to have Motion M–431 referred to the Standing committee on justice for further examination.

The Deputy Speaker: Members have heard the terms of the motion. Is there unanimous consent to accept the motion?

Some hon. members: Agreed.

Some hon. members: No.

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, in introducing this motion our colleagues from the Reform Party, the members for North Vancouver and Surrey—White Rock–South Langley, have argued capital punishment is necessary to protect the public against murder and that it should be re–established in Canada at least as an option. They also argue we should have a referendum at election time to decide this issue.

• (1820)

There is no doubt murder is a most serious and heinous crime, perhaps the worst crime we have on the books. We should do everything possible to reduce the rate of murder and protect the public from violent crime.

Capital punishment will not accomplish that goal. There is overwhelming evidence that capital punishment is not effective in controlling murder and protecting the public. The American states that have brought back capital punishment, particularly the southern states of Texas, Louisiana and Florida, have the highest murder rates in the United States and much higher than countries such as Canada and those in western Europe which do not have capital punishment.

The United States is the only country in the western world that has capital punishment. Capital punishment was brought back in those states following an American Supreme Court judgment in the middle 1970s. While the murder rate in those states has decreased in a minor way in recent years it is still much higher than in states without capital punishment. That we have lower rates in non–capital punishment states does not mean it is the result of not having capital punishment, but rather the result concentrating on other measures to reduce violent crime.

In Canada the rate of homicide is a little over 2 per 100,000 population, whereas in the states of Texas, Louisiana and Florida it is about 10 per 100,000 population. In western Europe it is about 2 per 100,000 population as well, with some countries at less than 2 per 100,000.

If capital punishment is argued as a means of protecting the public, it is not protecting the public in Louisiana, in Florida, in Texas and those other American states where capital punishment is there for that very reason. All one has to do is visit those states to find out.

When I went to New Orleans I was told not to leave the French Quarter. I was told not to go out at night because there were so many murders in that city. It is a sad thing because it is a beautiful city.

Capital punishment is not an effective means of protecting the public. Furthermore it is seriously objectionable on other grounds. For example, it is irreversible when a mistake is made and there have been mistakes. At least if somebody is convicted of murder and is sent to prison for life he or she can be released if later proven not guilty. Such was the case of Donald Marshall and others. In Britain such was the case with the Guildford four. There are many cases around the world in which this happens. When this happens they can be released from prison and given some damages, some compensation. Once a person is executed it is game over.

It is objectionable in that it has always been applied in an inequitable manner. It has always been applied more heavily on minorities, on the poor, on immigrants, on the illiterate. Those who have had the big lawyers, the great court pleaders, these outstanding lawyers who cost a lot of money, have got off. Those who have not been able to do that have not got off. I could refer to a case in the United States right now but I will not.

My colleagues from the Reform Party referred to statistics in the United States. Of the total number of murders committed there only a small percentage of those convicted, although it is a high number in total terms, have been executed. That points out the inequity of the whole system.

If left as an option in Canada we would have gross inequities. It would mean one murderer in one province would probably be executed and one in another province for almost the same crime would not be executed. There would be great unevenness in the application of this most serious irreversible penalty.

• (1825)

The motion calls for a referendum on these matters. I am not opposed to referendums in principle, but they are not provided for in our constitution as a means of legislating issues and they are not traditional in the British parliamentary system. In our system we are elected to office to represent the people, certainly to consult with them, to consult the evidence, to look at the facts, to inform ourselves, and then make a decision in the best

interests of the public. The parliamentary system is not a system by referendum.

We have had three so–called referendums at the federal level in Canadian history, one on prohibition of liquor, one on conscription, and one on the Charlottetown accord. They were all advisory; none of them was binding. As a matter of fact, in the one on conscription and the one on prohibition the government of the day did not slavishly follow the results of the referendum. As a matter of fact, in the conscription case, although the country overwhelmingly voted yes for conscription, we ended up with a system where there was only conscription for service in Canada.

In any case, we have no system of binding referendums in this country. But if we are going to decide questions by referendum then it should be done according to a policy and not simply on an ad hoc basis. A referendum cannot be called only when you think you are going to win the case.

For example, would the hon. members in the Reform Party call for referendums on gun control or on medically assisted suicide? I notice that while they slavishly follow the polls with respect to who wants capital punishment, they ignored the popular polls with respect to gun control and also ignored the polls with respect to medically assisted suicide.

If we are going to have referendums we have to decide by policy or by legislation what matters are to be decided and not simply call for them when we think we are going to win. That is no way to run a government.

Mr. Calder: That is government by opportunism.

Mr. Allmand: My hon. colleague says that is government by opportunism, and that is what it is: if you think you can win a referendum you hold one and you do not call for it when you think you will not win. For example, would this Parliament or the people of Canada be willing to have a referendum on the GST or unemployment insurance or other difficult issues?

The Reform member spoke about keeping horrible murderers in prison at public expense. When we take the total number of inmates and divide it into the total cost of our prison system, it comes to about $50,000 or $60,000 a year for the most serious criminals. I know Reform members understand arithmetic. This does not mean that if one criminal is executed we would save $60,000, because there are fixed costs in the system. If we are really going to save money we would have to execute about 100 criminals a year, I would surmise. Then we could close a prison. Most of our prisons hold about 300 or 400 inmates. If we were really going to save any money we would execute about 100 a year to save a decent amount of money. If we were to start doing that we would rank with the Republic of China in executions. The countries that led the world recently in executions were South Africa and China. We would join that select club if we were to simply execute people to save money.

If we in the House are really serious about protecting the public from violent crime then we have to concentrate on preventive measures, concentrate on measures directed to the causes of violent crime. Capital punishment is a measure to be applied after the murder has taken place. It is a post factum penalty. Penalties are necessary in our criminal law. As I said, we should not have this extreme penalty because of the many objections to it. While penalties are necessary, they will not solve the crime problem. We will solve the crime problem by concentrating on measures to prevent crime and measures directed at the causes of crime.

In conclusion, we cannot convince a society that it is wrong to take a life when the state is ready and willing to take lives.

There are many more arguments and many more aspects to this debate, but we cannot cover them all in 10 minutes.

• (1830)

[*Translation*]

The Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), this item is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

AGRICULTURE

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, the word is out: Federal goodies are on their way to Western Canada. Cheques for a total amount of $1.6 billion are being or will be sent directly to grain producers in the Prairies. This compensation for the loss of western grain transportation subsidies gives and will give western producers an unfair edge over farmers in Eastern Canada, especially in Quebec.

Many grain producers are taking advantage of this windfall to diversify production and flood Quebec with their products. Since part of the compensation is paid for through taxes they pay to Ottawa, Quebecers may be doubly penalized. Here is an example. Quebec's subsidies for industrial milk are being cut by

30 per cent, with no compensation for dairy producers in that province: clearly a double standard.

Last Friday I was in Princeville at an auction of slaughter calves. I met a producer from my riding, Gérald Turcotte, who explained in his own words how Quebec was being used by the rest of Canada. I will repeat what he said. Canada is so anxious to keep us because we pay well and do not take much money out. Imagine, he said, a farmer with ten Holsteins. Three are very good milkers: Ontario, Quebec and British Columbia. One of these cows eats little, is not a picky eater, requires little attention from its owner, is rarely sick, does not go outside the fence, is very docile, returns to the barn in time for morning and evening milking. In short, this cow is the best of the herd.

You will understand, Mr. Speaker, that the farmer would not let this famous and profitable cow go for all the gold in the world. Quebec too is very profitable for Ottawa and the rest of Canada. However, it is the victim of injustice: National Defence contracts, research and development funding, expenditures by the department of agriculture in Quebec that are lower than the economic activity generated by the sector. Quebec is therefore not getting its fair share of federal investment. Since 1984, its share has been only 15.9 per cent, despite the fact that the population of Quebec represents 25 per cent of Canada's population and that Quebec provides 23 per cent of federal revenues.

Quebec has never received more than 19.1 per cent of the federal government's expenditures on goods and services. In 1992, for example, the federal government spent a total of $31.2 billion with only $5.9 billion in Quebec, which represents 18.9 per cent. This figure is 6 per cent less than our demographic load. I have tonnes of such examples.

Yes, my friends, Quebec is very profitable for the rest of Canada. For the rest of Canada as it stands today. Quebec, as Gérald Turcotte put it so well, is a fine cash cow for Canada.

This is why we are not being allowed to have a tool box of our own so that one day we in Quebec can build our future as we ought, pass our own legislation, sign treaties and collect our own taxes.

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, agricultural subsidies have been reduced as part of a broad government effort to reduce the deficit. However the government has taken great care to ensure that all regions and sectors of the industry have been treated as fairly and equitably as possible.

The western grain transition payment program and the western grain transportation adjustment fund will be used to partially offset the potential disruption that may result from the removal of the western grain transportation subsidy. The removal of the feed freight assistance program in eastern Canada and parts of British Columbia is being accompanied by a $62 million adjustment program.

The impact of the repeal of both the Atlantic Region Freight Assistance Act and the Maritime Freight Rates Act in eastern Quebec and Atlantic Canada is being eased by a transition assistance program of $326 million.

An adaptation fund of $60 million per year on average will be used to help meet future adaptation requirements. The government has set aside $17 million a year for the next four years from the adaptation fund to address concerns regarding the impacts of the reform of transportation subsidies in eastern Canada.

The answer to the hon. member's question is yes, there are funds available to address eastern Canadian farmers' concerns about transportation reform. The government is reducing the dairy subsidy by 15 per cent for each of the next two years. Thus at the end of two years the subsidy will still be at 70 per cent of the levy, where it is today. The continuation of the subsidy provides producers with a source of funds that can be used to ease the transition into a more market oriented system.

The government has ensured that all farmers, in fact all Canadians, are sharing equally in the responsibility for deficit reduction. The package of subsidy reform is fair and balanced with respect to different situations, different regions and different sectors within the Canadian agriculture and agri–food industry.

The Deputy Speaker: Pursuant to the standing orders, the motion is now deemed to have been adopted.

[*Translation*]

Therefore, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.37 p.m.)

HOUSE OF COMMONS

Thursday, September 21, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

INTERPARLIAMENTARY DELEGATIONS

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Madam Speaker, pursuant to Standing Order 34, I have the honour to present to the House the report of the Canadian branch of the Commonwealth Parliamentary Association concerning the Canadian regional conference from July 23 to July 28 in Halifax, Nova Scotia.

* * *

CRIMINAL CODE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.) moved for leave to introduce Bill C–348, an act to amend the Criminal Code (mines).

He said: Madam Speaker, it is a pleasure to introduce this bill that will ban the production, export and import of land mines and anti–personnel devices within Canada.

There are over 100 million land mines and anti–personnel devices seeded throughout the world. The world produces over a million of these land mines and anti–personnel devices every year and over 100,000 people are maimed or killed by these devices every year, 40 per cent of whom are innocent women and children.

The purpose of this bill is to have Canada take a leadership role in banning these devices which have no place in modern warfare.

If we can pass this private member's bill which I know has a lot of support from across this floor, we will be able to send a clear message to other countries that it is unacceptable for these devices to continue to be produced, wreaking havoc in so many areas of the world and rendering millions of acres uninhabitable for decades.

I hope we will be able to have some cross–party support for this private member's bill so that Canada can take a leadership role on this very important issue.

(Motions deemed adopted, bill read the first time and printed.)

* * *

BILL C–310

Mr. Clifford Lincoln (Lachine—Lac–Saint–Louis): Madam Speaker, I would like to withdraw private member's Bill C–310, which relates to resumption of work by certain workers at the ADM mill in Montreal.

The reason for the withdrawal of this bill is that the matter has now been settled. Therefore, the bill, for all intents and purposes, is now not necessary.

The Acting Speaker (Mrs. Maheu): Does the hon. member have the unanimous consent of the House to withdraw the bill?

Some hon. members: Agreed.

(Order discharged and bill withdrawn.)

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QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

The House resumed from September 20 consideration of Bill C–45, an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act as reported (with amendments) from the committee; and of Motion No. 1.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

We are now debating group 2.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ) moved:

Motion No. 2

That Bill C–45, in Clause 34, be amended in the French version by replacing lines 15 to 19, on page 13, with the following:

"n'est pas admissible à la libération conditionnelle totale avant d'avoir purgé, à la fois, depuis le jour où il s'est vu infliger cette peine supplémentaire:

a) le reste du temps d'épreuve relatif à la peine que le délinquant purgeait déjà lorsqu'il s'est vu imposer la peine supplémentaire;

b) le temps d'épreuve relatif à cette peine supplémentaire."

• (1010)

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.) moved:

Motion No. 3

That Bill C–45, in Clause 39, be amended in the English version by replacing lines 13 and 14, on page 17, with the following:

"(*b*) serving a life sentence imposed otherwise than as a minimum".

Motion No. 6

That Bill C–45, in Clause 40, be amended by replacing lines 41 to 46, on page 18 and lines 1 to 3, on page 19, with the following:

"(6) Where an offender receives a sentence to be served in a provincial correctional facility and fails to earn or forfeits any remission under the Prisons and Reformatories Act and is transferred to penitentiary, otherwise than pursuant to an agreement entered into under paragraph 16(1)(*a*), the offender is not entitled to be".

Motion No. 8

That Bill C–45, in Clause 42, be amended by replacing line 15, on page 21, with the following:

"(6) Subparagraph 129(5)(*c*)(ii) of the Act is replaced by the following:

(ii) referred to the Chairperson pursuant to paragraph (3)(*b*) after the statutory release date has passed,".

(7) Subsection 129(9) of the Act is re–".

Motion No. 12

That Bill C–45, in Clause 44, be amended in the English version by replacing line 13, on page 26, with the following:

"subsection 130(3) or paragraph 130(3.3)(b),".

Mrs. Pierrette Venne (Saint–Hubert, BQ) moved:

Motion No. 13

That Bill C–45, in Clause 45, be amended in the French version, by replacing line 25, on page 27, with the following:

"pertinents dans leur évaluation du risque que le délinquant".

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.) moved:

Motion No. 18

That Bill C–45, in Clause 52, be amended by replacing line 10, on page 34, with the following:

"52. (1) Paragraph 140(1)(*b*) of the English version of the Act is replaced by the following:

(*b*) the first review for full parole pursuant to subsection 123(1), including the review conducted pursuant to subsection 126(4), and subsequent reviews pursuant to subsection 123(5);

(2) Paragraph 140(1)(*c*) of the Act is".

(*b*) by replacing lines 10 and 11, on page 36, with the following:

"propriate that an inquiry under subsection (1) be held or where an inquiry must be held by virtue of subsection (1.1) a judge, supernumerary judge or former";

(*c*) by replacing line 46, on page 37, with the following:

"member's office,"; and

(*d*) by replacing line 3, on page 38, with the following:

"the due execution of the member's office, or

(*e*) has recommended conditional release for a violent offencer and the violent offender has committed a violent offence while on that conditonal release,".

Motion No. 20

That Bill C–45, in Clause 66, be amended by adding after line 6, on page 42, the following:

"(*b*) subsection 108(2);".

Motion No. 21

That Bill C–45, in Clause 67, be amended by adding after line 21, on page 42, the following:

"(*a*) the definitions "day parole" and "full parole" in subsection 99(1);".

Mr. François Langlois (Bellechasse, BQ) moved:

Motion No. 22

That Bill C–45, in Clause 68, be amended in the English version by replacing line 28, on page 42, with the following:

"68. The French version of the following provisions are".

Motion No. 23

That Bill C–45, in Clause 69, be amended in the English version by replacing line 21, on page 43, with the following:

"69. The French version of the following provisions are".

He said: Madam Speaker, the motions grouped for debate are essentially for linguistic clarification purposes. In my view, these motions do not require extensive debate, but only some explanations.

I myself will only deal with Motions Nos. 22 and 23, which I had the honour of submitting and which were seconded by the hon. member for Saint–Hubert.

Motion No. 22 seeks to clarify clause 68 of the bill. The beginning of the current English version of that clause reads as follows:

[*English*]

The following provisions are amended by replacing the expression "sans surveillance" with the expression "sans escorte".

[*Translation*]

The idea is to replace the expression "sans surveillance" with the expression "sans escorte", which is deemed more appropriate in French.

It would be more logical to say that, in the French version, the expression "sans escorte" replaces the expression "sans surveillance", so that the introduction to clause 68 would read as follows, should the amendment be passed. The new merged version would read:

[*English*]

The French version of the following provisions are amended by replacing the expression "sans surveillance" with the expression "sans escorte".

[*Translation*]

The same logic is applied as in the case of the two preceding clauses, where it is said, in regard to the English version, that:

[*English*]

The English version of the act is amended.

[*Translation*]

The same goes for clause 66. The logic is the same as that which prevails throughout the bill.

The other amendment which I tabled, namely Motion No. 23 dealing with clause 69, is for the same purpose. I will spare you the reading of the merged text which, albeit short, could nevertheless be boring. However, the objective of that amendment is the same, that is to say the French version.

I respectfully submit these amendments to the House. As for the other amendments, I do hope that they will be accepted without a long debate.

• (1015)

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, regarding the motion tabled by the hon. member for Bellechasse, I wish to underline his active involvement in the committee. I think it is in everyone's interest to know how much the hon. member cares about his work. He is always striving for perfection. The government and especially the members of this House would do well to recognize what an excellent job the opposition member did, in my opinion, in this committee.

But I must stick to this text. We in this government support the motion as tabled by the hon. member for Bellechasse.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Madam Speaker, I was not here but I imagine we are still debating Group No. 2.

I wish to repeat that the Bloc Quebecois understands and shares the solicitor general's goal of reassuring the public about conditional release, given the enduring climate of public scepticism toward the federal parole system.

In particular, Motion No. 6 tabled by the government is aimed at correcting a drafting error. This provision deals with the calculation of the automatic release date of an offender sentenced to a jail term in a provincial correctional facility who is then transferred to a federal penitentiary.

As it now reads, clause 40 of the bill excludes those offenders who were serving prison sentences on or before November 1, 1992. The government's motion is aimed at correcting this oversight and we support this motion.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 2 agreed to.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 3 agreed to.)

[*Translation*]

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 6. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 6 agreed to.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 8. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 8 agreed to.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 12. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 12 agreed to.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 13. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Gagnon: Madam Speaker, could you remind us which motion we are voting on?

The Acting Speaker (Mrs. Maheu): The vote is on Motion No. 13.

All those in favour will please say yea.

Some hon. members: Yea.

• (1020)

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 13 negatived.)

The Acting Speaker (Mrs. Maheu): The next vote is on Motion No. 18. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 18 agreed to.)

The Acting Speaker (Mrs. Maheu): The next vote is on Motion No. 20. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 20 agreed to.)

The Acting Speaker (Mrs. Maheu): The next vote is on Motion No. 21. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 21 agreed to.)

The Acting Speaker (Mrs. Maheu): The next vote is on Motion No. 22. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 22 agreed to.)

The Acting Speaker (Mrs. Maheu): I therefore declare Motion No. 23 carried.

The Acting Speaker (Mrs. Maheu): We are now debating the motions in Group No. 3.

[*English*]

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Motion No. 4

That Bill C–45, in Clause 40, be amended by adding after line 6, on page 18, the following:

"(1.1) Subsection (1) does not apply to any offender who is serving a sentence for the commission of an offence involving violence.

(1.2) For the purposes of subsection (1.1), "offence involving violence" means any offence set out in Schedule I."

Motion No. 5

That Bill C–45, in Clause 40, be amended by replacing lines 33 to 40, on page 18, with the following:

"(5) Notwithstanding any provision in this or any other Act of Parliament, no offender whose parole or statutory release has been suspended or revoked under section 135 is entitled to be released again on statutory release before the expiration of the offender's sentence according to law."

[*Translation*]

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.) moved:

Motion No. 7

That Bill C–45, in Clause 41, be amended by replacing lines 15 and 16, on page 19, with the following:

"41. Subsections 128(2) and (3) of the Act are replaced by the following:

(2) Except to the extent required by the conditions of any day parole, an offender who is released on parole, statutory release or unescorted temporary absence is entitled, subject to this Part, to remain at large in accordance with the conditions of the parole, statutory release or unescorted temporary absence and is not liable to be returned to custody by reason of the sentence unless the parole, statutory release or unescorted temporary absence is suspended, cancelled, terminated or revoked."

Motion No. 10

That Bill C–45, in Clause 43, be amended in the English version

(*a*) by replacing line 32, on page 24, with the following:

"(3.1) An order made under subsection (3)";

(*b*) by replacing line 36, on page 24, with the following:

"subsection (3) has been made, an offender";

(*c*) by replacing line 39, on page 25, with the following:

"to an order made under subsection (3) or"; and

(*d*) by replacing line 2, on page 26, with the following:

"subsection (3) or paragraph (3.3)(*b*) not to be released".

[*English*]

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Motion No. 11

That Bill C–45, in Clause 43, be amended

(*a*) by replacing lines 25 to 35, on page 25, with the following:

"(2) Subsection 130(4) of the Act is repealed"; and

(*b*) by deleting lines 1 to 9, on page 26.

Motion No. 17

That Bill C–45, in Clause 51, be amended by replacing lines 40 to 44, on page 33, and lines 1 to 9, on page 34, with the following:

"139. Notwithstanding any provision in this or any other Act of Parliament, where an offender who is subject to a sentence that has not expired receives an additional sentence, the offender shall serve the total of the unexpired portion of the sentence the offender was serving at the time the offender received the additional sentence and then shall serve the full term of the additional sentence."

He said: Madam Speaker, the majority of our amendments in this section will address violent offenders.

Once again we see in Bill C–45 that there has been an effort by the government to do something to address violent offenders, that those guilty of child abuse, child aggravated assault or child sexual assault should not be released. No one can disagree with that.

Once again here is an example of a government saying it will move in the direction Canadians want, but it does not go far enough.

Who is a child? If the child is 15 and is assaulted, does that count? Do they have to be under 14, according to the age of majority? What are the guidelines? Are we to say in the case of the Bernardo trial to the French and the Mahaffy families that their daughters were in their upper teens and therefore were not children, and that Mr. Bernardo could be released some time in the future? If that is what it is saying, it is totally wrong.

• (1025)

Aggravated assault on anyone, I do not care what their age, when violence is shown by these offenders in that fashion there is absolutely no reason in the world they should be released at any time until we are absolutely certain they will never do it again. If that means we have to wait until they are 90 years old, so be it.

What the Canadian people want more than anything else if they are to feel safe is to be assured by the government that dangerous violent offenders will not be on the streets because of the bleeding hearts of this country who say we cannot keep them behind bars forever.

Let us make a separation. A lot of people in penitentiaries are non–violent. Many of them should not even be in there. Let us start separating these two categories. Let us help those who genuinely made mistakes, who did no harm to individuals.

If they are non–violent let us treat them as such. Let us look at what we can do to rehabilitate them back into the community. Maybe we need to look at some alternative measures that would prevent them from going there in the first place and let communities deal with these problems, people who are closest to the scene.

When it comes to individuals who hunt down children or women or any kind of a victim with ball bats just to kill them, those are the kinds of people we do not need in this country, certainly not on our streets. If the best solution we have is to keep them behind bars, for heaven's sake let us do it.

I am not certain how accurate some reports are. Recently I read a report by Diane Francis who claimed she received her information from the solicitor general's office, that 78 individuals were released from penitentiaries and went on to murder. It did not say how many people they murdered but if 78 people committed murder, it was definitely no less than 78.

I remember a year or two ago when we first came to the House I asked the solicitor general about a list we had compiled. Our little research group had managed to find 46 individuals who had been released who were violent and killed again.

In one of those instances I remember a quote in the newspaper from the convict, and it was the first time I have been able to agree fully with a convict: "The only thing crazier than me is a system that would let me out to do what I did". Finally the whole truth is spoken. It is plum crazy.

Special interest groups are running around all over the country. They have the ear of the solicitor general and the ear of the justice department. They simply will not accept that locking them up and throwing away the key is the answer.

Probably 90 per cent of Canadians would agree with me when I say for some individuals that is the only answer. There is a better answer for some of these individuals. It is called capital punishment. It is my opinion that should apply to some individuals.

Clifford Olson may be eligible. He will be heard in 1995, I believe. Under section 745 of the Criminal Code he could be considered for release, although I am quite certain he will not be. I have a little more faith in our justice system than that, that they would not let him out. Nevertheless, he can apply, and will because he has been complaining and moaning and groaning over the last few years.

• (1030)

It saddens me that we even have to consider such a thing, that we have to go to the trouble of having a trial and the expense of paying individuals to sit and listen to the likes of these individuals.

He killed once, then he killed twice, then there were three, four, five, six. As far as we know, he killed about a dozen times. This individual killed once and got life and 25 years. He killed 11 or 12 more times for free; it did not cost him anything.

Then he goes to our justice department and makes a bargain. Give me $10,000 for every body I lead you to, put it in a trust fund, and I will start telling you what I did with these children I killed. And we fell into this bargain. We bargained with an individual like that.

I dare anyone in the House to go to any community or any town in the country and stand on a street corner and ask any Canadian what he thinks of our justice system that made a bargain with Clifford Olson to the point where he now has $100,000 in a trust account for his family because he told us where to find the bodies of the people he murdered. That is an example of what people do not want.

The message should be loud and clear to individuals of that type, these highly dangerous, violent offenders: You are not a welcome segment to our society; we do not want you; we do not need you. For heaven's sake, let us make our communities really safe. Make the streets safe for our children who are walking home from school.

Why should we have to worry about the mother who has to work at eleven o'clock in the evening in a convenience store and who was kidnapped and murdered? We have to consider whether it was a planned murder. Maybe it was just second degree or maybe even manslaughter. It was a violent act, which is not acceptable in this society. But the government will not show through its legislation that it is not acceptable. It makes it look acceptable.

The motion is going to try to send a message to all Canadians that we parliamentarians in the 35th Parliament are a little more serious than they have been in the past about doing something with those who commit a crime. We will continue our prevention programs and do as much as we can. We will continue to try to rehabilitate those who can be rehabilitated. We will do all the right things. But when push comes to shove and there are individuals such as Clifford Olson and Paul Bernardo, let us put an end to it. Never again should those kinds of things happen. Send the message and let us do it with these types of motions.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, this is a very delicate question. Obviously it will entail probably going into a very thorough debate. I think we have had the occasion to do so in committee.

I would like to remind the hon. member that all those witnesses who appeared before the Standing Committee on Justice and Legal Affairs in regard to Bill C–45 and Bill C–41 expressed the view that statutory release plays a fundamental role in the protection of society. This period of gradual and carefully planned and supervised release is essential for assisting an offender to reintegrate into the community and is preferred over an offender's abrupt release at warrant expiry.

• (1035)

I should also add that there is a process in place. It takes a required amount of time to serve. We should also keep in mind that we do not automatically release people as the opposition likes to contend.

The provisions in Bill C–45 and the Corrections and Conditional Release Act already provide a balanced response to the concerns posed by repeat offenders. The new sentence calculation model would ensure that an offender who receives a new custodial sentence for an offence committed while on conditional release would be automatically returned to custody. New consecutive sentences would always result in the offender serving a minimum of one–third of the new sentence in custody before parole eligibility.

I think we agree here in this House and I would imagine many members in the opposition benches would agree that we need to constantly seek ways of improving public protection. That is why the government continues to focus its efforts on more effective methods, which involve better identifying, assessing, and treating violent offenders on a case by case basis. However, a blanket abolition of statutory release for certain offenders would ultimately harm rather than improve public safety.

In conclusion, the Standing Committee on Justice and Legal Affairs recognized the value of statutory release when it voted down a similar motion to abolish statutory release for all offenders.

I would also add that we will be opposing not only Motion No. 4 but also Motions Nos. 5, 11 and 17 as presented by the opposition.

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, I just heard that the member of the Liberal Party opposite is opposing Motion No. 5 which deals with the revocation of parole.

Having been in many parole hearings and listened to all the cases I have listened to, I wonder why this government would not be prepared to back this. Let us say a prisoner is in for a crime that was undertaken while on drugs or a crime related to drugs. This individual gets out of an institution today and is caught in another facility while on parole using drugs. His parole is revoked. He comes back in and they say he has to serve more time. Today that inmate is entitled to again go to a parole board and get out and do his thing in the community.

We are saying that if a person is incarcerated for a crime and gets out and does something such that parole is revoked, the person should serve the full term. That to me makes obvious common sense. If we are letting somebody out of prison today

and he is going to go out and commit another crime, he obviously has not got the message.

As examples I will give a couple of instances where I have been in parole hearings. One individual was incarcerated in excess of two years for very serious fraud crimes. This individual was allowed to go out under UTA, unescorted pass, and he was found to be in the middle of a fraudulent exercise, milking someone out there out of their money. What did the parole board do? It brought him in and told him: "That is not a good thing. You have taken anger management courses in here. You have taken courses and by now you should know that is not the right thing, so we will leave you locked up again".

• (1040)

What happens? He says "Well, I guess I have not learned the lesson, so I am going to stay in here, but I will be back here to apply to get out again". This is obviously a serious problem. The fact is the individual has not learned his lesson, and that individual should be reincarcerated for the full term of his sentence.

Now to some more serious problems. I have been involved with several cases. I am not a lawyer. I am an average guy who tries to help out a lot of victims in an area where I have seven federal institutions around my riding. I have seen people incarcerated for rape. I spoke about this last night. Wayne Perkin is an individual who got a young lady from Aldergrove, British Columbia, coerced her into her garden shed, beat her over the head with a hammer, taped her hands behind her back, injected her with cocaine and raped her. He gets all of six years for this heinous crime. This young lady will never be the same again. He gets six years for that, and is eligible for parole after two years.

What do they do? They let him out at around three years. He goes right back at it again and gets another unsuspecting victim, injects her with cocaine, but this time he does not just beat her over the head with a hammer, he stabs her 20 times and kills her. The family and the family's friends will never again be the same.

The system in this country does not work. For a Liberal government that brought a lot of this mess upon us to stand here and oppose Motion No. 5 is despicable. There are too many victims out there. We do not have to talk about Clifford Olson or this Bernardo fellow. There are all kinds of them across this country, like those three guys who did their thing in McDonald's in Sydney, Nova Scotia. Those are the ones who get national attention, but there are all kinds of them.

I could talk about Jose Mendoza. I have talked about him more than enough in this place. That little creep had 12 criminal convictions in my community, including what they call sexual assault but I call rape. He is escorted out of the country back to El Salvador at our cost so we are rid of him, right? No. He says: "I like the Canadian penal system, the Canadian criminal justice system; it treats me pretty good". He got out early too, by the way, on parole.

He comes back in illegally, past Guatemala, Mexico, the United States, shows up at our door and says: "Now I am a refugee, I am not an immigrant, so take me back". Just before that happened he raped another woman, an 18–year old in my community.

Mr. Thompson: Shame. Who is responsible?

Mr. White (Fraser Valley West): This government has to understand that this parole system works for some, but what we are trying to tell this government is if an individual is incarcerated and if they are allowed out under escort or unescorted and if they commit another crime while they are out, they are obviously not the best apple in the barrel. They should be brought in, their parole should be revoked, and they should be in to the end of their sentence, obviously.

There is good old Karel Kral, again in my community. Is this a case of "I have all these isolated incidents", or is this just common around the country? After speaking here last night I received calls, letters and faxes from Ontario people saying that the same thing was happening in their communities.

• (1045)

Let us talk about Karel Kral in my town. Good old Karel, up on cocaine, has been in and out of prison for about 14 years on different occasions. Karel was hyped up on cocaine one night not too long ago and attacked Joan in Langley, British Columbia. He was charged with sexual assault with a weapon and convicted. Joan is 65 years old. He used a needle with cocaine as the weapon. This is a common weapon to use now, because if the victim is injected with cocaine and the criminal is on cocaine it might be a good excuse for the damage being done.

Karel has been out on parole time and time again: out, back in, out, back in. Joan would not have been assaulted had somebody said: "Wait, there is a message here. This guy is a bad apple. His paroles are being revoked. He is in and out, in and out. Stop it. Put him in for a long term, give him a heavier term or call him a dangerous offender".

In the name of God, we have to listen to reason. The government is listening to the very few Liberals in cabinet who want to push a Liberal agenda. How much more can we say on behalf of victims?

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Madam Speaker, I will make a few preliminary remarks before I directly oppose the motions we are dealing with.

I am very concerned that as we sit in the House we do not feel for the victims, for the people who are suffering from the crimes being committed outside this place. We need to take more responsibility for the laws we pass. I realize a lot of people are possibly watching this debate on television, but we need to focus

more on what we are putting through the House. I am very concerned with what is happening here.

We are giving the impression to people out there that Bill C–45 will fix what is broken in the criminal justice system. It will not. It is one small step in the right direction. Why do we not have the courage to do it right, right now? That is the problem we have.

Let us look at the things we are doing here. I look at a motion we just put through. It was tinkering and playing with words. People may look at this and say that the words life sentence are being changed to imprisonment for life. It may seem innocuous at first; it may seem like no big deal. However there is a difference. Imprisonment for life is always 25 years and a life sentence can be as low as 10 years. The Liberals are going soft with the amendments they are making, which is not right. People ought to know it is not just playing with words. We are dealing with people's lives. As the hon. member for Fraser Valley West just pointed out, these criminals are being released when they should not be released.

• (1050)

I support Motion No. 4 which the hon. member for Wild Rose put forward because it will prevent an offender convicted of a violent offence from getting statutory release. We must enforce full term sentences for violent offenders. That has to be the bottom line. The message must go out that we will not tolerate this kind of thing.

The Liberals believe in harsher sentences. They gave that impression with Bill C–41 in which they made hate crimes more punishable than other crimes. They give the impression that they believe in harsher sentences and then they come up with this stuff. It is inconsistent. Why should violent criminals not get harsh, full term sentences?

What is the most basic function of government? What is the primary function government should be performing? It is to provide for the safety of its citizens. It is simply that. We are not here to create huge programs, tax people to death, and do all this wonderful stuff that gives the impression government is taking care of its people. The basic function of government is to provide for the safety of its citizens. That is why it is so important for us to debate the bill.

We were here yesterday for the entire afternoon and I only heard Reformers dealing with the substance of the bill. Are we the only ones who care about the safety of people? Surely to goodness there must be enough compassion in this place that we would begin to seriously debate what should be the direction of our criminal justice system.

Like I said before, it is not our job to create and run big social programs and all kinds of other wonderful things. That may be something people will ask us to do from time to time, but the big picture is that government should first and foremost provide for the safety of the citizens within its borders. We need to pay more attention to crime, not just big crime but all crime.

On Motion No. 5 which the hon. member for Wild Rose put forward, we do not support statutory release in general but some may consider it for non–violent offences to be all right. The amendment still allows some form of non–violent statutory release but forces the offender to serve the full sentence if the statutory release is revoked or suspended.

The hon. member for Fraser Valley West has made the point, and I will make again. If a person receives a sentence for a crime and then commits another crime when on parole, not only should that person complete the first sentence but the next sentence the person gets should be tacked on. It should be consecutive.

Too often our courts do not add two and two to make four. For them two and two equals two. What is that? Is it Liberal mathematics? I am not sure. In my books two and two should equal four and that is what such people should be serving. For every single crime they commit they should be punished. They should not be able to commit five crimes and be punished for only one.

I strongly oppose the motion previously put forth in which offenders serving time at a provincial institution are transferred to a federal institution and can be released from the federal institution on the day they would have been released from the provincial institution. Why should they get out early just because the federal government is now paying the bill? That should not happen. They should not be able to play within the system. It is not right.

We oppose Motion No. 10. The amendment will not allow full term sentences for sexual offences against an adult female. The point has been made previously that there should not be a great distinction about whom someone commits the crime against. A crime is a crime and it is serious no matter whom it is committed against. We do not want statutory release.

• (1055)

I have made the point already that sentences need to be consecutive. If criminals recommit crimes they should serve those sentences plus the full sentences for the crimes committed previously.

We are moving in the right direction but we need to take more seriously what is happening in the House. We need to deal with these things and make sure we get them right. We need to provide for the safety of our citizens so they can feel safer in this great country of ours.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): We are voting on Motions Nos. 4, 5, 7, 10, 11 and 17. Is it the pleasure of the House to adopt Motion No. 4?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

[*Translation*]

The vote is on Motion No. 7. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

[*English*]

The next question is on Motion No. 10. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 17. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

• (1100)

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

The next question is on Motion No. 11. The question will be put if Motion No. 10 is negatived. We will now debate group 4, Motion No. 9.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ) moved:

Motion No. 9

That Bill C–45, in Clause 43, be amended by replacing lines 27 to 29, on page 24, with the following:

"an offence causing the death of or serious harm to another person or a sexual offence involving a child".

She said: Madam Speaker, we keep hearing that ignorance of the law is no excuse. Still it should be intelligible. Bill C–45 is already a very complex piece of legislation as far as calculating the period of sentence and eligibility for parole is concerned. So if even the drafters stumble over words and sentence structure, it will take a clever person indeed to understand.

As the Barreau du Québec indicated in its brief on Bill C–45 submitted to the Standing Committee on Justice, and I quote: "In fact, although we brought together the varied expertise of a number of professionals from academia, the prisons and private practice, they were not able to conduct an exhaustive review of clause 34 of the Bill and the related provisions because both the methods of calculation adopted and the wording used seemed so recondite".

Clause 34 of the bill is the key element of the methods for calculating sentence and eligibility for parole. If experts have a hard time making out what it means, how is a judge expected to benefit from a reform that is far from being as crystal clear as requested?

Motion No. 9, which I just moved, is not designed to amend clause 34, which will serve as an example however, but to complete in clause 43 of Bill C–45 the information that is missing in the French version. I do not know if the drafters were making fun of us or not, but there is a limit.

Francophone readers must refer to the subsections listed in order to know what it is all about, while the English version mentions the subsections and goes on to describe the offences in extenso.

Either the drafters assumed that francophone readers know by heart the sections referred to in Bill C–45 and their content or they were trying to make the clause difficult to understand in the French version.

Either way, this is adding insult to injury. I will not stand for this kind of abuse any longer, for myself or francophones in general. There is a plethora of instances where federal legislation makes a mockery of the language of Molière. Drafters are misusing the French language under the pretext of simplifying.

The new section 120.1 proposed in the bill is another example. In English, this section sets a basis for the computation of the prescribed time, yet this information is missing in the French version. It will be easier for an anglophone judge to understand what it is all about. At any rate, in either language, the bench is not likely to be able to make head nor tail of it.

That is why it is important to set a start point, this point being the day on which the additional sentence was imposed. This correction is essential. However, this will only be a partial solution to an endemic problem.

• (1105)

The following is typical of Bill C–45, and I am referring to the wording of clause 34. Let me first get my breath, because there are no commas in the next paragraph, which is a simple sentence. And I quote:

Le délinquant dont la peine d'emprisonnement n'est pas expirée et qui est condamné à une peine d'emprisonnement supplémentaire à purger à la suite de l'autre n'est admissible à la libération conditionnelle totale qu'à la date à laquelle il a accompli le temps d'épreuve requis à la fois sur la partie de la peine non encore exécutée au moment de la condamnation et sur la peine supplémentaire.

If you understand this, Madam Speaker, congratulations. The point is that the additional sentence was consecutive. In the English version, however, we read:

[*English*]

"Commencing on the day on which the additional sentence was imposed".

[*Translation*]

We do not find these words in the French text. So in English, an individual can find out when he is eligible for parole, while a Francophone cannot because he does not know where to start counting.

A judge who cannot interpret a legal text will have to judge in equity and ignore the text, which is so convoluted that the results would be absurd. That is how the rule of law ends up at the bottom of the culture gap.

Another striking example may be found in clause 45 of the English version, and I quote:

[*English*]

"Any factor that is relevant".

[*Translation*]

The French version says, and I quote: "tous les facteurs utiles". This must be corrected. The use of the word "utiles" in the French version is not appropriate. This is about the relevance of the information concerned, not about its usefulness.

For years I have tried to tell this House that respect for Francophones starts with respect for their language. I find this bad habit editors have of making their French translation a carbon copy of the English extremely annoying. When will they realize that the French language is not well served by a translation from a text originally written in English? When can I expect to see federal legislation drafted in correct French? Certainly not before October 30.

I have been a member of this House for nearly seven years, and there have been few occasions when I could say that both the English and the French versions of a bill were drafted with the same care. Aside from awkward syntax or grammatical errors,

there is also the fact that the law may be interpreted in such a way that the intent of the legislator is obscured by semantics and our work here in the House will be for naught.

[*English*]

Mr. Thompson: Madam Speaker, I rise on a point of order. I would like some clarification. Is the hon. member speaking to the motions in group 4 or has she moved to group 5? I am a little confused.

The Acting Speaker (Mrs. Maheu): The hon. member is debating motions in group 4.

[*Translation*]

Mrs. Venne: To continue, Madam Speaker, it is we who are the legislators. In answer to my colleague who wonders where we are up to—I imagine he had had to absent himself—we are indeed still in group No. 4. It is our duty therefore to see that our intentions are respected. The best way to do this is to make them intelligible.

In conclusion, I have a piece of advice to give those drafting texts: they should take a look at the Quebec civil code and our code of criminal procedure in order to learn how to write in French. These are both bold pieces of legislation, the Quebec civil code in particular, whose legislative texts have been able to stand the test of Quebec's changing times, customs and habits without becoming outmoded, ever since 1866. If only out of respect for the francophones of this country, I am therefore requesting that this House support Motion No. 9.

• (1110)

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, the hon. member for Saint–Hubert is obviously raising an issue beyond the technical scope of this motion. We have covered the role of French here in the House of Commons, within the federal government. I would like to point out to the hon. member that everyone tries to speak and write proper and correct French.

What I am saying to you could certainly apply directly to English speakers. Sometimes I myself go over and correct texts that have been given me by anglophones, and that are full of mistakes. There are syntax problems, and I often find these texts completely incomprehensible as the hon. member for Saint–Hubert claims happens in French. Unfortunately it seems to be the case for both official languages.

However, I am keeping to this text and to the motion as such. I do not think this is the time to politicize the debate and I do not think this motion has anything to do with the probable results on October 30, which will be, as we know full well, that a majority of Quebecers will vote no.

By deleting the words "serious drug offence", the motion would exclude serious drug offenders from the effect of the provisions on detention. It would defeat Parliament's purpose in expanding the scope of the provisions on detention to include serious drug offenders.

The aim of this measure was to calm the growing concerns of the public over the persistent problem of drug trafficking. In short, this is to some extent what the work of the legislator is about—making society as we know it safer. The measure is one of the initiatives in the national anti–drug strategy.

Under section 232 of the Corrections and Conditional Release Act, the provisions on detention shall be subject to a comprehensive review by a committee of the House of Commons three years after coming into force—which was November 1992. So, very soon.

This review will be more appropriate for the consideration of an amendment of this scope. I therefore invite the hon. members to vote against this motion and I would like to remind the hon. member that we are always careful in our use of French.

[*English*]

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, I have a couple of comments. The previous speaker was talking about the confusion in these bills, how they are written and how they are having a difficult time trying to get the same meaning in two languages.

There is one thing on which I can agree with the hon. member. Not only with this bill but with every piece of legislation I see coming from the government, whether it is the Income Tax Act, GST rebates, transportation or whatever it is, it makes sure it words these bills in such a way that a common, ordinary guy like myself is not going to be able to understand everything. We have to hire legal minds to give the proper interpretation. That is one thing to which I certainly object. If we are going to make laws for ordinary Canadians it would not hurt to put them in language that ordinary Canadians can understand.

I have a comment as well for the Parliamentary Secretary to the Solicitor General who made the comment that now is the time not to politicize. I would like hon. members from the Liberal Party to realize one thing. What they are really saying is: "Let us not get these things on the floor any more than we have to because Canadians might realize what the devil we are doing". Not only do we want to confuse them on how we write laws but let us conduct the business of the House in a manner that anybody watching television really does not know what is happening.

• (1115)

I will take every opportunity I can to try and illustrate what is happening so the people out there will know what is happening. Reformers are the only ones willing to do that. The little puppets in the back row in the Liberal Party wait until the cabinet barks so they know who to bite. We do not operate that way. There are things happening with documents coming through like Bill

C–45, things the Canadian people need to know. No, let us razzle–dazzle them with several hundred pages of a law and then we will pass it off as doing our job.

We and the Liberal backbenchers will then go to our constituencies and will be asked what we did in Bill C–45. Most of them will be like me, struggling because we really do not know. They will be able to pick up a few little things here and there but they really do not know.

Are we living in a country where the whole idea is to confuse ordinary Canadians so we can really run this show? If that is the case it is time to change. What a shame to say we are trying to politicize.

Motion No. 9 is dropping off drug offences. It states we should keep dangerous offenders and murderers behind bars but let us drop off the drug offenders. It so happens that drug dealers are a serious and major problem in our country. We do not know how to treat major problems.

What we want to do is take this member's motion and drop those kinds of things off because the government is attempting to get a little tougher. I applaud the government for its attempt. If it needs some advice it should talk to Canadians. They will tell the government what to do with drug offenders.

Listen to the old guy from Wild Rose, the old backwoods kid who was born yesterday. He is not smart enough to pick up legislation and say: "My, my, is that not pretty". All my little lawyer friends over there in the justice department or the solicitor general's department have put this wonderful document together that nobody can understand. Try reading the Income Tax Act some time if members want some fun.

Back in the 1960s I used to teach how to do income tax. By the middle 1970s I had to hire somebody to do my own. They are doing a good job if they are trying to confuse people.

One thing that is really confusing is why the member who is introducing this motion would think for a second that serious drug offenders are not a problem and should not be classified in some of these areas.

We will be opposing this motion.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

[*Translation*]

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

Some hon. members: On division.

The Acting Speaker (Mrs. Maheu): I declare the motion lost on division.

(Motion No. 9 negatived.)

• (1120)

The Acting Speaker (Mrs. Maheu): We are now moving to Group No. 5, which includes Motions Nos. 14 and 15.

Mrs. Pierrette Venne (Saint–Hubert, BQ) moved:

Motion No. 14

That Bill C–45, in Clause 45, be amended by replacing line 36, on page 27, with the following:

"(iii) reliable information from recognized and dependable sources demonstrating".

Motion No. 15

That Bill C–45, in Clause 45, be amended by replacing line 1, on page 28, with the following:

"(*b*) reliable information from recognized and dependable sources about the offend–".

She said: Before we start debating Motions Nos. 14 and 15 as part of Group No. 5, Madam Speaker, I think you would find unanimous consent to debate Group No. 8 immediately after Group No. 5.

[*English*]

The Acting Speaker (Mrs. Maheu): Does the hon. member have unanimous consent to go to group 8 after we debate group 5?

Some hon. members: Agreed.

[*Translation*]

Mrs. Venne: Motions Nos. 14 and 15 deal with a very important clause of Bill C–45. Clause 45(3) of the bill amends section 132 of the Corrections and Conditional Release Act by adding subsection (1.1) regarding the determining by the Correctional Service and the National Parole Board of the likelihood of the offender committing a sexual offence involving a child.

Under the current legislation, a dangerous sexual offender can be maintained in detention if he is likely to commit, at the

expiration of his sentence according to the law, an offence causing death or harm to another person, harm being described as serious physical or emotional injury.

With Bill C–45, clause 42, the National Parole Board would not be required to establish the existence or likelihood of injury, in the case of a sexual offence involving a child. It would need only be satisfied of the likelihood of the commission of a sexual offence involving a child before the expiration of the sentence according to the law.

In other words, where the board believes the risk is too high, the prisoner remains behind bars. The onus is substantially reduced.

The message is clear: when in doubt, do nothing.

In the case of sexual offenders in particular, it seems to me that the rule is sometimes applied in reverse. Release should not be statutory; it should always be based on the absence of any likelihood that a prisoner convicted of a sexual offence involving a child will commit a further offence.

There is no sexual crime more contemptible and loathsome than one involving a child. The very thought of it disgusts me.

Bear in mind that an individual who is eligible for parole or statutory release was properly tried and found guilty by a court of law and has exhausted all possible grounds of appeals.

This is an offender who has been jailed for the monstrous things he has done. We are not talking about a defendant at this stage. This is an individual serving time for the crimes he committed. He is paying his debt to society and to his young victim. As far as I am concerned, this is not high enough a price to pay; he could rot in jail.

The role of the parole board was questioned on several occasions. I myself disputed in this House the validity of certain decisions made by commissioners.

Repeat offenses must be denounced as unacceptable. The board is duty–bound to make the right decision concerning those convicted of sexual offenses involving children who are likely to re–offend: keep them in jail. The safety of the public, and children in particular, prevails over any right a prisoner may have if he or she poses too great a threat.

• (1125)

However, and this is the reason I tabled Motions Nos. 14 and 15, it is necessary to specify the admissible sources of "reliable information" which can be taken into consideration by the Correctional Service and which are referred to in clause 45 of the bill.

Police forces, prosecutors and probation services are examples of "recognized and dependable sources", as suggested in Motions Nos. 14 and 15. If the bill is not specific in that regard, there is a risk that mere allegations could turn into conclusive evidence and create a despotic regime or, conversely, and this is what I fear most, encourage an interpretation which greatly favours the suspect and which could therefore result in a premature release. This is why I ask the House to support Motions Nos. 14 and 15.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Madam Speaker, before presenting our position on the motion as it was tabled, I want to stress the good work of the hon. member for Saint–Hubert, and her colleague from Bellechasse. Indeed, the hon. member attaches a great deal of importance to details, and I often agree with her on those details.

However, as regards her motion, I maintain that the word "reliable" implies that the information comes from sources which are recognized and dependable. Moreover, the proposed wording is not in line with that used elsewhere in the Corrections and Conditional Release Act. Consequently, we feel that Motions Nos. 14 and 15 serve no useful purpose, and they will not be supported by the government.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 14. Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

Some hon. members: On division.

The Acting Speaker (Mrs. Maheu): I declare Motion No. 14 lost, on division. Therefore I declare Motion No. 15 lost.

(Motion No. 14 negatived.)

The Acting Speaker (Mrs. Maheu): Since there is unanimous consent, we will now move on to group 8, which includes Motions Nos. 24, 25 and 26.

Mrs. Pierrette Venne (Saint–Hubert, BQ) moved:

Motion No. 24

That Bill C–45, in Clause 72, be amended

(*a*) by replacing line 16, on page 44, with the following:

"741.2 Notwithstanding subsection"; and

(*b*) by deleting lines 7 to 12, on page 45.

Motion No. 25

That Bill C–45, in Clause 83, be amended

(*a*) by replacing line 14, on page 52, with the following:

"743.6 Notwithstanding subsection"; and

(*b*) by deleting lines 34 to 39, on page 52.

Motion No. 26

That Bill C–45, in Clause 83, be amended

(*a*) by replacing line 45, on page 52, with the following:

"743.6 Notwithstanding subsection"; and

(*b*) by deleting lines 17 to 22, on page 53.

She said: Madam Speaker, the motions I am submitting to this House for approval are simply aimed at repealing subsection 2 in section 741.2 of the Criminal Code as amended by Bill C–45.

It is surprising, to say the least, to see that incarceration is the preferred way to deal with delinquency. But it is ridiculous to suggest that society's denunciation and deterrence should be the only guiding principle for sentencing.

To understand Motions Nos. 24 through 26, one must first understand the guidelines set out by legislators to help judges decide whether or not to suspend application of the usual parole regulations.

• (1130)

In 1992, legislators gave extraordinary powers to judges imposing prison sentences of two years or more. In fact, section 741.2 of the Criminal Code as it now stands makes it possible to disregard section 120(1) of the Corrections and Conditional Release Act. Section 120 of the Corrections and Conditional Release Act sets the usual period after which an individual becomes eligible for parole. This period usually amounts to a third of the sentence. Thus, if the judge is convinced by the circumstances of the offence, the character and specifics of the criminal and the degree of denunciation by society, he may order the criminal to serve half of the detention time imposed before being eligible for full parole.

It may seem normal for inmates to have to serve half of their sentence before being eligible for parole. It must be kept in mind, however, that the sentencing judge has already taken into consideration all of the circumstances surrounding the offence and the criminal's individual and social characteristics, as well as a presentencing report with a victim impact statement.

Thus, if he sets a four-year sentence for sexual assault for example, he has already weighed the aggravating and attenuating circumstances in imposing this four-year rating. Judges know very well when they sentence an individual that he will become eligible for parole after a third of the sentence has been served.

This factor is therefore taken into consideration by the judge. He does a little mathematical calculation before sentencing, in order to know how much real penitentiary time the accused who has been found guilty will serve. If he considers that the real time might be ridiculous in light of the offence committed, he will increase the period of incarceration imposed and thus the length of time actually spent behind bars.

In giving greater powers to trial judges, the legislator has provided them with an important tool for setting a dissuasive example. That tool must, however, be used with discretion and on an exceptional basis. Section 741.2 should not be used as a matter of course, as a sop to the frustration felt by most people when they see individuals released on parole who are not ready for rehabilitation.

By expanding the role of the trial judge and letting him go beyond the procedure that is customary in dealing with the inmate, the legislator is trying, and I say trying, to strike a balance between the judicial power to judge and sentence and the powers of the board in the parole process.

The exceptional character of section 741.2 has been pointed out a number of times by the Quebec Court of Appeal. In 1993, in the Dankyi judgment, the judges of the highest court of the province stated that the range of sentences for trafficking and possession for the purposes of trafficking was normally adequate to cover both minor and more serious cases. The trial judge did not have to resort to section 741.2 of the Criminal Code to hand down an exemplary sentence. Ordering the inmate to serve half of his sentence can only be justified in exceptional circumstances.

In the Leblanc judgment in 1995, the Appeal Court maintained its position and said this was an exceptional measure, to be used only in specific cases that warranted such measures.

• (1135)

Not long ago, in February 7, 1995, the Quebec Court of Appeal reiterated its position, stating that the trial judge should have formulated separate and distinct grounds for imposing a severe but fair sentence while ordering the inmate to serve at least half of the sentence before being eligible for full parole. The judges of the Appeal Court decided that the trial judge's reasons for imposing a sentence of 13 years in the penitentiary for robbery were based on the same grounds as his order that at least half the sentence was to be served. According to the judges, this was an error in law. Grounds and reasons should be distinct, which is what the legislator had in mind in section 741.2.

In Bill C–45, as amended and reported by the Standing Committee on Justice and Legal Affairs, the present section 741.2 appears on page 44, where the committee added subsection (2) which reads as follows: "For greater certainty, the paramount principles which are to guide the court under this

section are denunciation and specific or general deterrence, with rehabilitation of the offender, in all cases, being subordinate to these paramount principles".

The Bloc Quebecois could never support such principles. The Bloc members on the committee did not support them, and today, I wish to reiterate our position on the use of these archaic principles to deal with crime.

On the whole, Bill C–45 formulates principles and objectives for sentencing that are supported by the Bloc. Nowhere in the bill does it say that society's denunciation and deterrents are the paramount principles which are to guide our courts. On the contrary, Bill C–45 tries to strike a balance between rehabilitation of the offender and protecting society.

If new section 741.2 remains in its present form, Bill C–45 will no longer be consistent. On the one hand, the legislator asks the judge to consider the rehabilitation of the offender, while on the other hand, he tells him to ignore it.

If this House sends ambiguous signals to the courts, we should not be surprised to see a number of absurd decisions that will become part of our jurisprudence. Therefore, subsection (2) of section 741.2 should be repealed, and I ask this House to support motions 24, 25 and 26.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, the motion proposed by the hon. member would delete from the provision an amendment adopted by the Standing Committee on Justice and Legal Affairs.

The provision to the effect that deterrence and society's denunciation are principles and, in my opinion, fundamental principles, guiding the courts and that rehabilitation of the offender is subordinate to them was added to clarify Parliament's intent in the matter of the courts' application of section 741.2 of the Criminal Code.

As the hon. member for Saint–Hubert so rightly pointed out, the thrust of Bill C–45 is to ensure that these individuals' return to society is done in a balanced manner, and of course the aim of the bill is to ensure greater public safety. However, I must unfortunately advise you that the government cannot support Motions Nos. 24, 25 and 26 as presented by the hon. member.

[*English*]

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, once again we are seeing some proposals we cannot support.

Bill C–45 is an attempt by the government to try to show Canadians that it is going to look at deterrence and punishment as kind of paramount to rehabilitation. It was a feeble attempt I might add, but at least it was an attempt.

• (1140)

Then along come the separatists and their ideas. Believe me, if we think the Liberals are left wing or bleeding hearts or whatever else we want to call them, the Bloc far exceeds that. This is another example of these kinds of motions. How dare us in Canada make such a scene over heinous criminals and crime. Deterrence and punishment is not how we operate in Canada; it is rehabilitation and prevention. Agreed, but let us make them paramount.

When one crosses that line of breaking the law, it is time to punish. I hope the punishment will cause a deterrent, because a deterrent is one of the best methods of prevention.

I congratulate the government members a bit. The reason I congratulate them a bit, only a bit, is because that is all they have attempted to do, only a bit. Tinker around, make the people think we are really going to do something about this, that we are going to get tough, and then along comes the Bloc saying: "No, no, no, we cannot be so cruel and harsh to our criminals".

I am at a loss for words for people with that attitude. I sure would like them to come to my riding of Wild Rose and stand before crowds there, anywhere they want to go, and announce these wonderful new ideas. They will not sell.

Mr. Gagnon (Bonaventure—Îles–de–la–Madeleine): I will go.

Mr. Thompson: I will welcome the parliamentary secretary. I welcome him to come out. It is an invitation. Does he want to sell my people in Wild Rose all his wonderful solutions to crime? He is, welcome and good luck. If he thinks I am loud, wait until he gets out there.

The whole point is we have to get the message out to criminals that they will be punished severely if they commit these kinds of heinous, violent, dangerous crimes. We have to get that message out. That is what Canadians are asking for when we see capital punishment polls all across the country, all in favour, everywhere we go, 70 per cent to 75 per cent everywhere. But no, we cannot get the message. Besides, we are Parliament, we know better. We are smarter than the rest of Canadians. Hogwash and baloney. They do not know what they are talking about.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 24, which will include Motions Nos. 25 and 26.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it. I declare the motion negatived. I therefore declare Motions Nos. 25 and 26 negatived as well.

(Motion No. 24 negatived.)

The Acting Speaker (Mrs. Maheu): We are returning to debate on group 6, which is Motion No. 16.

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Motion No. 16

That Bill C-45 be amended by adding after line 19, on page 28, the following new Clause:

"45.1 The Act is amended by adding the following after section 132:

"132.1 Where the Board, under section 130 or 131, orders the statutory release of an offender who was convicted of a sexual offence involving a child, the Board shall provide the offender's name and date of release for inclusion in the registry referred to in subsection 132.2 (1).

132.2 (1) There shall be kept in the automated criminal conviction records retrieval system maintained by the Royal Canadian Mounted Police, in a registry kept separate and apart from other criminal records, a record of every conviction for a sexual offence involving a child, which record shall include

(*a*) the name of the person convicted of the offence and the person's address, if any, at the time of the conviction;

(*b*) the section of the Criminal Code under which the person who committed the offence was convicted;

(*c*) the details that describe the manner in which the person convicted of the offence committed the offence;

(*d*) the date that a person convicted of a sexual offence involving a child is to be released on statutory release pursuant to an order made by the Board under section 130 or 131; and

(*e*) any other information that may be prescribed by regulation.

(2) All the information included in a record kept in the registry referred to in subsection (1) shall be made available to a peace officer who is investigating a sexual offence involving a child where the officer requests such information.

(3) Where a person is convicted of a sexual offence involving a child, the police force responsible for the investigation of the offence shall provide a record of the offence, which shall include the information referred to in paragraphs (*a*), (*b*), (*c*) and (*e*), for inclusion in the registry referred to in subsection (1).""

He said: Madam Speaker, here we go again. Welcome to law and order land.

• (1145)

I know most of the members of this Parliament know or remember a certain person. They will remember her from the past. Her name is Monica Rainey. She worked hard for a group called CACE which had to fold because it was not supported by government funds like some other bleeding heart societies are. She could not afford to keep going.

A major aspect of her fight was to do all she could do in Canada to protect the children in this country, the youth, from sexual assaults, abuse, et cetera.

Monica Rainey came to this building a number of times with armloads of petitions calling for the government to do such things as create a registry of all violent dangerous individuals so when they were released and on the streets people would know who they were.

She packed wheelbarrow loads of petitions and letters. All members received letters supporting what she was trying to do. I will be willing to bet a dollar to a doughnut that when we finish explaining why there should be a registry the old Liberal strings will be pulled and the backbenchers will be like puppets and jump up and oppose it because it is something we do not do in Canada. We could not dare put a child molester or a dangerous violent offender who hurts children on a list so the public would know who this person was. He might happen to be a nextdoor neighbour. We do not do that. Perhaps the charter of rights will not allow us to.

There have been other documents from the Liberal government that have caused more chaos. I am not sure which ones but some have caused all sorts of things not to happen to protect people. There is only one explanation for not wanting a registry of individuals who are a threat to our society. It should not be limited to children. However, my party and I will settle with that for now although we would like a lot more. Why in the world should the parents of our young children not know who these people are?

I am a grandfather and I have some little ones. I am disgusted with a government that does not try to help me protect them. The bleeding hearts over here sound like nothing more than cats—psst, psst—which is all they are good for.

Mr. White (Fraser Valley West): They would rather spend time talking about separation.

Mr. Thompson: They would rather spend time talking about separation than protecting children. That is more important to them.

Canadians are fed up. The Liberals do not think so but I know so. Talk to any parent who has lost a young child. They would like to have known that neighbour or that fellow at the end of the street had the potential to do that. It might really have helped.

We are steadily losing more and more faith in the justice system. I will be perfectly honest. If anyone hurts my little child please let me have them, do not give him to the bleeding hearts.

Mr. Dhaliwal: Vigilante.

Mr. Thompson: No, that is not being a vigilante. That is being a grandfather who really cares for the security of his grandchildren. I would like to see some kind of action from the government that will say yes, let us make sense. Why not help parents and grandparents to protect the young people of our country? No, that interferes with the rights of criminals. I am sick and tired of hearing about the rights of criminals. That is all we ever hear. Not once do we hear about the rights of victims, only about the rights of criminals. It is so far outweighed it is sickening.

• (1150)

I hope when these bleeding hearts get back into their constituencies the people will send them a loud and clear message for such things as setting up a registry of people who are on the streets and have the potential to hurt our kids. Setting up that registry makes perfectly good sense and would help make our country a better, safer place to live, a good old red book promise.

Come on, get with it. Quit being a bunch of deadheads and start thinking about what is really right. Is the cabinet pulling the strings and will members be jumping up and voting no against this motion as well?

Mr. Gagnon: Madam Speaker, I was no fan of the Grateful Dead.

Mr. Hanger: Is that supposed to be funny?

Mr. Gagnon: I think the language used in the House has been at times unparliamentary and the people from Wild Rose expect more from their member.

The Acting Speaker (Mrs. Maheu): In the past we have heard many comments on decorum in the House and many comments that the public is tired of seeing the House reacting in this manner. I ask that we have order, please.

Mr. Gagnon: Madam Speaker, I appreciate your intervention. This is a civil forum and it allows elected members from various parts of Canada to exchange in a civil and correct manner.

I also thank the hon. member for Wild Rose for his kind invitation to his constituency. I would be more than pleased to have a civil exchange with the hon. member and with his constituents on various issues of concern to the people.

The motion, which we will oppose, was raised during a clause by clause review by the Standing Committee on Justice and Legal Affairs. The motion was ruled out of order because it entailed expenditure of funds and I believe cost saving measures are in order.

However, the hon. member failed to recognize one of the major accomplishments of the government, the establishment of the Canadian police information centre, CPIC, announced in November 1994. I assure the hon. member and his constituency and all Canadians that CPIC basically provides a comprehensive registry, including an offender's entire criminal history and additional information such as whether an individual has a restraining order, a peace bond or is prohibited from working with children.

We have had a number of cases in which in minor hockey leagues or when certain adults are called to supervise children, the organizations have access to this information. We encourage all volunteer service organizations in which children are involved to contact CPIC to make sure the people willing to lend their help are within the law and would not pose any danger to innocent children.

• (1155)

The motion in question is unnecessary. It would otherwise be inappropriate for inclusion in a bill which deals with corrections and conditional release.

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker. I will speak to Motion No. 16.

It is interesting that my colleague from the Liberal Party spoke about ruling one of the motions out of order for lack of funds. This is the government in the process of spending $6 billion on infrastructure. This is the government which allows convicts, regardless of their conviction, to pick up old age security, the Canada pension plan and GST rebates. The government wants to move the motion out of order because it calls for an expenditure of funds. That is laughable.

On a registry of sex offenders, the amending motion of my friend from Wild Rose is right. I would have the registry circulated throughout the country to all individuals, not just enforcement officers. It is about time we did that.

I know Germaine is watching this. She is from my riding. If Germaine were in the House she would likely not hold back on a lot of the comments she has. Germaine was involved with a victim of Alan Winter. He molested, as far as we can find out in my riding thus far, in excess of 30 children over a number of years. They were young kids. He undertook the most heinous activities with these kids, which I shall not describe in the House.

What do we do with Alan Winter? After Germaine took him to court a number of years ago we put him in prison and labelled him a dangerous offender. That means he should stay in prison for quite a long time. Along came more victims of Alan we did not know about and they tried to press charges, only to find out that after five years Alan Winter was let out unbeknownst to anybody. We also found out Alan Winter was on unescorted

passes while labelled a dangerous offender. No one knew the predator was crawling through the streets of our communities.

Where did he go? Good old Alan, courtesy of Canada, went to Britain. Interestingly enough a deal was made and he has dual citizenship and can return to Canada. There is no registry. Very few people know what he looks like. We have pictures of him. They are up on my office wall and they may well go in my householder.

I want to read a letter from John Denham, an MP of Southampton, England, about this case:

> I am grateful for the assistance which you have given in providing details of the parole conditions attached to the release of Mr. Alan Winter.
>
> As you may know, we in Southampton recently became aware that Mr. Winter was living in our community. People in Southampton were appalled to learn that he has served only a small part of a lengthy sentence imposed for appalling acts against children. They were equally concerned to learn that those agencies responsible for child protection had no knowledge of his presence in this city.
>
> The information which you have provided confirms that Mr. Winter was released from prison on condition that he leave Canada and that he would be in prison once again if he returned to your country.

That is actually not the case. He is a citizen of both countries and can return to Canada. The letter continues:

> I will of course be raising this matter with the British government's home, foreign and commonwealth offices. I will be asking them to make strong representation to the Canadian government to ensure that a situation like this can never arise again and that there is a clear agreement between two countries on the international application of parole conditions.
>
> I would be grateful if you could make every effort to raise my concerns and those of my constituents in the Canadian Parliament. I believe that if Mr. Winter was not fit to be released into Canadian society he was not fit for release into my country either and I hope that you can express this view in the appropriate way.

• (1200)

No one in this country knows really what he looks like. There is no registry. This guy is filthy scum. He has ruined the lives of countless young men and women. Today they are around the age of 40. I have met with six of them in a room. Their lives are ruined. There is not even a registry on this guy.

Some people are doing some things. Sandra Cunningham looks after the tri–city child care guide. I have spoken with Sandra many times. She has taken it on herself to put in this child care guide the pictures and MOs of these predators, these pedophiles. She is doing it at her own cost, her own risk.

Mr. Hanger: That is something the government should be doing.

Mr. White (Fraser Valley West): That is right. My colleague from Calgary says that is something the government should be doing. It is opposing a motion that says exactly what so many people are trying to do. They want sex offenders on some form of registry. They want the registry to be available to everyone. They want to know who is living next door. It does not much matter if only the police know about it.

I do not have access to CPIC. It is a police system. If I have children in my home I want to know who is living next door, if they are serious sexual offenders. Today in this country we are not permitted to know that, courtesy of this government.

An hon. member: And the parliamentary secretary over there is laughing.

Mr. White (Fraser Valley West): Yes, it is unfortunate, we even get laughs at this kind of stuff here.

Let us take the matter away from the political sphere for a moment. Let us see what CAVEAT has to say about this, Canadians Against Violence Everywhere Advocating its Termination. Its members met and talked about this. In fact they have quite an interesting document from recent meetings which people from right across the country attended.

One such group that met with CAVEAT is the Community Standards and Child Exploitation Committee. Its chairs included people like Justice John McGarry, Ontario Court of Justice, General Division; the London police were represented; the London family court; the president of a group against pornography and so on.

What did these groups say about it? Is it just the Reform Party talking here? They state: "We recommend the creation of a national child abuse registry. Such a registry would work in the same way as bonding at a financial institution. In order to work with children in a position of trust, such as teacher or babysitter, the onus is upon the prospective employee to produce an updated recent certificate from the registry to prove that the individual has no previous convictions for sexual offences against children. We acknowledge that those who sexually offend against children are highly likely to recidivate. Accordingly we recommend that if such offenders are to be released in the community, measures be undertaken to inform the community of the offender's release".

It is not just the Reform Party. This is across the country. If we are to err in areas of criminality we must err on the side of caution. We must take the route of protecting our young at all costs. We cannot afford to debate whether or not such things are as important as the other. What we must do is protect our young.

• (1205)

Therefore, can any Liberal in this House stand up and say that a national registry for sex offenders against children and others is not necessary for everybody? I keep hearing that we have one. CPIC has one. Members opposite do not understand. That is a police registry system. People do not have access to it. We must know who are the child offenders and who perpetrates these offences. We must know who they are, where they are and what their MOs are. It is critical.

To listen to rhetoric like I just heard is just so Liberal. I cannot think of anything else. They got us into this mess and we are still in the mess. Notwithstanding CAVEAT, Victims of Violence, Citizens Against Violence Everywhere, the Melanie Carpenter Society and on and on, they do not listen.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I too would like to think the government would realize the importance of bringing in a child sex offender registry.

We have had the parliamentary secretary tell us this morning that it is out of order because it will cost money. Surely the rights of the innocent deserve a little bit of money. We seem to spend millions and millions of dollars and all kinds of effort by the police to try to convict people after the crimes are committed.

As we have heard the previous speaker tell us, even those who are convicted of dangerous offences and should be in jail, not only for a long time but perhaps as long as they live, are out on the street. Perhaps it is not a Canadian street but the street of another country, in order for them to continue to perpetrate these horrible and horrific crimes to destroy innocent young children who are the most precious people we have.

The government is totally and absolutely opposed to trying to protect and help the innocent, not the criminals but the innocent, our young and vulnerable. The government is not prepared to spend any money whatsoever to help these people before they are victimized, before their lives are ruined and before they are turned perhaps into criminals themselves. The government would far rather keep the money and spend it on recycling prisoners through our jail system. They are out the door as soon as they are in to continue on in their awful ways.

In the last little while I have been hearing about Gustafsen Lake on the television and the fact that we now have the criminals in that situation behind bars. It is said this is going to be the largest police investigation in history. No doubt millions and millions of dollars will be spent building a huge case against people who are obviously guilty. It is going to drag through the courts for months and perhaps years while the government says it has no money whatsoever to protect our young.

In this House we have had debates covering weeks on setting up a registry for guns and other firearms. The Minister of Justice is prepared to spend by his own admission up to $200 million of taxpayers' money to set up a national gun registration system so that law–abiding citizens can be registered, fined and penalized if convicted of not following the rules. This is $200 million of taxpayers' money. The innocent law–abiding citizens are going to be put through hoops time and time again. If they fail to register their guns they are going to be subject to the Criminal Code, imprisoned and everything else.

• (1210)

These are not people who have committed a crime. They are not people who by and large will commit a crime. Yet the Minister of Justice says it is perfectly A–okay to spend $200 million on the effort. However there is no money to protect our young, our innocent and our vulnerable.

Where is the government coming from? I cannot understand the logic of the $200 million, the imposition of all kinds of rules and regulations on law–abiding citizens. Yet the Minister of Justice absolutely and completely refuses to take the worst criminals in the country and put their names on a list to let people know who they are, where they are, what they have done and what they could do to children in our neighbourhoods.

An hon. member: Shame.

Mr. Williams: It does not make sense.

The charter of rights and freedoms is hauled out every time somebody accused of a crime ends up in court. It is the criminals who always seem to benefit from it. However the charter of rights says we have the right to live free from fear, free from persecution, free of assault by someone else. We have these rights and freedoms and we should be able to enjoy them in a civilized society.

Presumably the government is committed to protecting the charter of rights and freedoms and the rights and freedoms of the innocent individuals but it is not. It would far rather spend the taxpayers' money creating all kinds of rules for law–abiding people and not for those who have abused the privileges, assaulted our young, destroyed the vulnerable in society. The government is not prepared to spend any money on the law–abiding people whatsoever.

As I said at the beginning of my speech, the parliamentary secretary ruled this motion out of order because it will cost some money. That speaks for itself and for the Liberal government that has its priorities totally and absolutely wrong. I think the Canadian people would agree with the Reform Party when we stand up and say we want to protect our children. We want to protect our vulnerable, protect the innocent people in the land. If it takes a few dollars—not $200 million—to do so then it is money well spent.

I suggest that Mr. Rock cancel his gun registration program and use that money, if necessary 10 times over, on a program that will produce a child sex offence registry and the country will be far better off.

The Deputy Speaker: We are all recently back in the House. I would ask all members not to refer to ministers by their surnames, family names or first names, but by the name of the ministry.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I listened to the debate on the amendments and I felt I had to say something on behalf of Canadians, particularly those in my constituency whom I met with over the summer and Canadians in Atlantic Canada whom I met with recently.

Canadians are saying they want our justice system changed to give more protection to its citizens. They never talk about changing the system to give more protection to the criminal. They do not want that. They are not particularly concerned about spending more money to rehabilitate criminals although most want rehabilitation to take place where possible. Canadians want a justice system that protects the people.

The amendments presented by the hon. member for Wild Rose provide more protection at least for a certain group of people, in this case children. The amendment should certainly be supported by all members of the House. I just do not believe that all members of the House are not willing to put in place an amendment which would allow more protection for children. I find it hard to believe that they would not pass this amendment.

• (1215)

Specifically these amendments would put information on a police computer system, CPIC. It would allow information to be entered in the computer system on the modus operandi used by sexual offenders who commit sexual abuse on children. That is what the amendment would provide. It would make this information available to all peace officers across the country.

In that way, if police were investigating a sexual offence against a child, they would have quick and ready access to information across the country which would point out if a similar type of a crime had been committed in another part of the country in the past.

Also the amendment would give information to peace officers again on CPIC. Specifically it would give the location of the prisons in which offenders are imprisoned and the date of release of any offender who has committed a sexual offence against a child. Because the information would be on CPIC it would be readily available to all police officers across the country.

Therefore it is very difficult for me to understand why the amendment would not be supported by all members of the House. For that reason too I thank the hon. member for Wild Rose for bringing the amendment forward.

There is much more that can be done. It is necessary to clearly redefine the priorities in our justice system. Through a conscious effort made by Liberal governments starting in 1972 with Solicitor General Goyer, the priorities of the justice system were shifted from a system that put the highest priority on the rights of the people in the country to be safe and to feel safe to the rights of the victims. They shifted the priorities to a situation where the top priority has become the rights of the criminal, the poor criminal; we have to do everything we can to protect the criminal, the rights of the criminal and the rehabilitation of the criminal. I do not think most Canadians believe the criminal should be the top priority in our justice system.

The amendment proposed by the hon. member for Wild Rose will do something to shift the focus back again to the victims. For all the talk I have heard across the country about the need to care for the victims, I have not seen legislation in the House that has done much in terms of giving the victims more say, making them a higher priority within our justice system.

The parliamentary secretary to the solicitor general has said that the amendment cannot possibly go through because we cannot afford it. We have to always be very conscious of spending. The Reform zero in three plan which we presented across the country during the 1993 election campaign laid out in some detail a plan which would lead to a balanced budget in three years. In that plan we allowed for spending in the justice area. If we are to have the deterrents in place and the deterrents sometimes are longer prison sentences—other deterrents can be used as well—it costs money. It is a matter of priorizing spending. In our zero in three plan we did that. Justice is such a high priority that we allocated money to it.

In our taxpayers' budget presented before the finance minister's budget last February we put aside money to put in place systems like the one proposed by the member for Wild Rose.

• (1220)

We are always conscious of spending money but we also know how to priorize. It is important to know where Canadians are willing to spend money and where they are not. In most cases the government has those priorities completely turned around. It does not know what is important to Canadians and it does not know in what areas Canadians are willing to spend money and what areas they are not.

It will take a continual reminder by us on this side of the House for government members of what is important to Canadians. It seems the government is out of touch. Perhaps I am being a little unfair when I say that all members of the governing party are out of touch, because I believe it is mainly the cabinet, the old boys who have been around for years that are out of touch.

Unfortunately in the old party system that is all that really matters. If the leader of a party wants it done this way it will be done this way. We have seen party discipline that is way beyond democratic. It is anti–democratic. We have seen party discipline used in the House over and over again, to the extent that the members of Parliament who know what the people want are completely ignored and are not even allowed to vote for what their constituents want.

The system is in collapse and it must be fixed. Until the system is fixed I suspect the legislation in the area of justice will do very little to improve the system.

Positive proposals like those presented by the member for Wild Rose will continue to be ignored in spite of the fact that many members across the floor, those who are still in touch with their constituents, know they should be passed. The Prime Minister says that they are not going to support it, the whip cracks the whip and those members have no voice.

I do not care much that members of Parliament have no voice, but I do care that their constituents have no voice. It is time that was changed. The changes to the justice system that we need, the changes that Reform has proposed in the House over and over again, will not happen until the system is fixed. We have to fix it. We have to fix it quickly, but I am afraid it will not happen with the government that is in place.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 16. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

We will now deal with group 7

Mr. Myron Thompson (Wild Rose, Ref.) moved:

Government Orders

Motion No. 19

That Bill C–45, in Clause 56, be amended

(*a*) by adding after line 8, on page 36, the following:

"(1.1) An inquiry shall be held to determine whether any member of the Board should be subject to any disciplinary or remedial measures where the member has recommended conditional release for a violent offender and the violent offender has committed a violent offence while on that conditional release.";

(*b*) by replacing lines 10 and 11, on page 36, with the following:

"propriate that an inquiry under subsection (1) be held or where an inquiry must be held by virtue of subsection (1.1), a judge, supernumerary judge or former";

(*c*) by replacing line 46, on page 37, with the following:

"member's office,"; and

(*d*) by replacing line 3, on page 38, with the following:

"the due execution of the member's office, or

(*e*) has recommended conditional release for a violent offender and the violent offender has committed a violent offence while on that conditional release,".

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, Motion No. 19 concerns a difference of opinion about whether or not there should be or may be a mandatory review of parole board decisions if someone who is out on parole commits a crime.

Our belief is that there should be a mandatory review of parole board decisions when it makes errors. I will give some examples. I have mentioned it twice but I have to mention the Wayne Perkin case again because it is so close to the real problem. This fellow went into a home, coerced an individual in my community into her garden shed, beat her over the head with a hammer, raped her, taped her hands behind her back, injected her with cocaine and left her for dead. He got six years, which is light, was put out on parole and while on parole murdered Angela Richards.

• (1225)

I always wondered in that particular case as I attended the sentencing hearing where the parole board was. What responsibility and what accountability are on the parole board for the absolutely disastrous error it made? Had Perkin not got out on parole the first time for such a terrible crime, Angela Richards would be alive today. I have talked with Corrine and Ron about it, Angela's sister and brother–in–law. That is one of the significant questions they have.

Why is the parole board that made this terrible decision going on with more decisions? Why is it not held accountable? Why was it not brought in to listen to the whole court case? Surely we need to have better answers.

This is what the motion is talking about. It wants a mandatory review of its decisions. I am for the termination of employment of those people when they make such drastic decisions. What we

are asking for seems realistic. It seems the Liberal government should agree that there be a mandatory review.

Let us talk a bit about parole for a moment. Most of us are aware that we have a legal system and not a justice system in Canada. It is fraught with lawyers who have made it so convoluted, so difficult to understand and so complex that the average person has lost his or her way throughout the system.

Since 1975, 240 murders have been committed by parolees. They say 70 per cent of those on full parole are successful, but it is the 30 per cent who are the problem.

Not too long ago I received a call from a parole board member who was upset at my making these kinds of comments. He said that in his region there was an 87 per cent success rate. I said: "While that is nice, I wonder if the victims take much consolation in the 13 per cent failure rate". We cannot tell Corrine and Ron that everything should be a bit better for them because we have an 87 per cent success rate. They are a part of the 13 per cent failure rate, and that is what we have to concentrate on.

In 1977, 85 per cent of parole board members had experience in the justice system; in 1988, just 10 years later, 53 per cent. It went down. Why did it go down? It was because that party and the other party from Jurassic Park started appointing their friends to parole board positions. How do I know? In 1993, 16 of 22 full or part time members were either defeated or failed politicians.

What kind of decisions do we get from them? They are their friends. They are party hacks. They collected money for your campaigns. The cost of doing that business results in people like Angela Richards being stabbed 22 times and murdered unnecessarily. This is not much consolation for Corrine and Ron, or Mrs. Richards.

• (1230)

Do we have any solutions? What do we do when they let these people out and they ruin the lives of thousands of people? There is no question that parole board members need more training. If the Liberals are going to run this country by a majority and they are going to put all their friends into these important jobs, then they should at least have the courtesy to the rest of us to train them.

I was in a parole board hearing not too long ago and received some information from an administrator who said that the psychologists' reports, which are relied upon for decisions by parole boards, were going to be given to them in a précis. That is just a short capsulation by a civil servant who makes a judgment as to what a psychologist says on five or six pages.

I can say that when people like Wayne Perkin go up before a parole board I would really like them to have a full psychologist's assessment and not a précis. Listen to what we are saying. The safety of the public is the number one concern.

While the heads are down and they are all quiet over there I cannot understand why they would oppose a mandatory review. Just exactly what is wrong with a mandatory review of a parole board and its members for making bad decisions?

It is understandable why we stand here in frustration and say this is absolute common sense. What is the problem? To whom are you not listening?

I would like to give some recommendations from another group.

The Deputy Speaker: The member has approximately two minutes left, but when he says you and looks across the Chamber the poor Speaker is left thinking that nobody cares whether he or she is here at all. I would ask the member to please look this way when he says you.

Mr. White (Fraser Valley West): I will talk through you, Mr. Speaker. It is difficult enough talking about this over here, because it does not register.

We have to bite the bullet and remove bad decision makers. The bad decision makers were in part responsible for a young lady losing her life by allowing a terrible criminal out on parole, and they walked away unscathed. They did not even get a reprimand on their job performance sheets. Nothing happened. Maybe one said: "I am sorry". A hell of a lot of good that is to Corrine, Ron or Angela.

Some day either they are going to have to listen over here or they are going to be replaced. The time is coming because these Liberals are not listening to a major groundswell in this country.

Since I only have a minute, I am going to give one recommendation from CAVEAT, Canadians Against Violence Everywhere Advocating its Termination. "Allow discipline of parole board members short of termination to be carried out by the chairman of the National Parole Board, a procedure akin to the Federal Inquiries Act, allowing for private or public inquiries. A mandate for a maximum five–year term of appointment for parole board members". They are not going to listen.

• (1235)

The Deputy Speaker: I must tell the member that his time has expired.

Mr. White (Fraser Valley West): I wish I had an hour.

Ms. Catterall: Mr. Speaker, on a point of order, I was watching the debate on television outside the Chamber and heard the member who just spoke use unparliamentary language. I would like to draw it to your attention and to his and request that you ask him to withdraw the comments he made and refrain in future from using that kind of language in the House.

The Deputy Speaker: I thank the hon. member. Perhaps we should all remind ourselves that there are certain words that are unparliamentary. We all know which ones they are. There is a fairly short list now.

The first test is that the language does not cause an uproar. I did hear the expression the member referred to and I noticed that there was no uproar caused by the expression. Frankly, I was surprised by that. I would ask all members that since we are starting afresh this fall to please, if they hear something offensive, get up and put the objection on the floor immediately rather than waiting.

I am sure the hon. member will take note of what has been said. I would ask then if we are ready for the question.

The member is entitled to reply.

Mr. White (Fraser Valley West): Mr. Speaker, on a point of order, I would like to know what I said that was offensive.

The Deputy Speaker: It is a phrase we have all heard many times involving a word that begins with *h* and ends with *l*. I do not think the Chair should string this thing out.

Is the parliamentary secretary to the solicitor general rising on a point of order or on debate?

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, it is on a point of order and it could very well lead to a debate.

The Deputy Speaker: I am afraid the hon. parliamentary secretary has to choose. If it is on debate, it is the turn of the Liberal Party and the hon. parliamentary secretary.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, we are discussing the last motion raised by the opposition, Motion No. 19.

We heard a number of things here this morning and indeed most of yesterday afternoon about Canadians having a constant worry about the apparent rise in criminality in the country. I think we should keep in mind that criminality in Canada has been somewhat stable for the past 20 years. The statistics are there. A number of cases were brought to the attention of the public and many of those were in heinous crimes and very disturbing. That is why the government and we on this side of the House have done considerable work to try to reduce criminality and make Canada a safer place.

I found it interesting when I heard a number of members claim that the federal government was not putting any money whatsoever into trying to protect Canadians and especially our youth. I would like to point out that the Ministry of the Solicitor General of Canada is one of the few departments that has seen a slight increase in its expenditures.

Mr. Thompson: Mr. Speaker, on a point of order, a while ago we were talking about finances. Now we are on Motion No. 19 dealing with parole. I would like the member to stick to the subject.

The Deputy Speaker: All hon. members will understand the relevance rule. It is even more important since we are discussing motions and perhaps second reading. I am sure the hon. parliamentary secretary will make his remarks relevant very quickly.

• (1240)

Mr. Gagnon (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, we have heard from the opposition on Motion No. 19, on Motion No. 16 and on all the other motions. I think we have been patient enough on this side of the House by giving these people the chance to express themselves. What we have heard all day is a well founded concern about the safety of Canadians. However, after hearing a number of those debates it is my opinion and that of most members of the House that often the information that was introduced by the opposition was not entirely correct.

We have the obligation to explain to these people, as it concerns Motion No. 19, that we have done a number of things to make Canada a safer place. I will make this point very briefly. I think that members sitting on the opposition benches should know that money has been put into the system. We are out there protecting Canadians. We are now spending considerable amounts of money building new facilities. That was a concern raised by the opposition. Five new facilities are going to open in the short term in Canada in order to accommodate the incarcerated members of our society.

There was also talk about CPIC, the screening mechanism we now have in place. We should also inform hon. members of the opposition that they have the right through various service and volunteer associations, for instance the brownies, the scouts, minor hockey and what not, to screen volunteers in these organizations for a previous criminal record to avoid endangering the lives of many young innocent Canadians. We have instituted that. It is a tangible benefit from the Liberal government. We are concerned about the safety of the younger members of our society.

We also spoke about gun control. If opposition members are concerned about the rise in criminality, why did they oppose gun control? That is a fundamental issue. Most crimes committed in Canada are committed with guns and rifles. Often these weapons are acquired illegally. We are trying to make Canada a safer place, and this is all we have heard all day. The opposition benches are supposed to be the law and order side of government, but we have done the tangible thing. We have done the

right thing. We pushed through the gun control law because it was the will and the wish of the Canadian public, as numerous polls have suggested.

I could continue. We have made amendments to the Criminal Code to tighten up the intoxication defence. We were referring to cases where someone was under the influence of certain drugs and alcohol and had committed a crime. That will no longer be admissible in court. That is very tangible. I think the ministry and the Government of Canada should be applauded for their efforts.

We have set up the task force on high risk, violent offenders. We are reviewing that with our provincial and territorial counterparts. We have experts in the field looking into this. Of course more can be done, but we do have the commitment of the government. We have the commitment of the Solicitor General of Canada and the Minister of Justice to do something about it.

There was also Bill C–37. They made no mention of it. We have tightened up the Young Offenders Act. We are making it more difficult for youngsters to come out. We are imposing different rules and regulations in order to make Canada a safer place. The public should know that. The public has a right to know what we are doing, instead of going on with these debates and these unfounded arguments, which are not based on fact. Factually, I think we have done a commendable job.

We have also created a national crime prevention council. The Government of Canada, after two years, with its so–called liberal values as members opposite like to call them, has proven to the Canadian public that it is taking these concerns very seriously.

Another one is the DNA legislation.

Mr. Thompson: Yes.

Mr. Gagnon (Bonaventure—Îles–de–la–Madeleine): Exactly. I am happy to see that the hon. member for Wild Rose is approving our initiative. We are trying to do what was never done in the past. The previous government did not measure up and that is why it was soundly defeated.

• (1245)

We on the government side after two years in the House are starting to show Canadians we are taking very seriously these concerns. That is why I have a duty as a parliamentarian and we have a duty as a government to explain this to the public, to explain this to, I must admit, the misinformed and ill–informed members of the opposition.

Another private member's bill came to our attention, the witness protection program. Again we are trying to encourage Canadians who in some cases are in difficult situations. We are asking for their help in trying to find the criminal elements in Canada and to bring them out to public view in order to try them in a court of law.

What we have done over the past two years is quite commendable. There are a number of instances where we can do more, no doubt. The various accomplishments of our most competent Minister of Justice and the Solicitor General of Canada prove once again the Liberal government is taking Canadians' concerns very seriously.

This is all within the purview of Motion No. 19. Why we are opposing the hon. member's motion is that in our opinion, and given these recent accomplishments by the Government of Canada, there is sufficient inquiry powers under the Inquiries Act and Corrections and Condition Release Act to address instances where a conditionally released offender commits a serious crime. The disciplinary inquiry should not be misused for that purpose.

In all fairness to the government, in all fairness to the people of Canada, we are very concerned about their security. I regret to say the opposition benches have not been paying much attention to our accomplishments. That is why in Reform country and in other parts of Canada we are trying to reassure Canadians we are taking their concerns in a most serious sense.

I am very pleased the hon. member for Wild Rose has invited me once again to his wonderful riding. I have never had the privilege of going to that part of Alberta. It is one of the most beautiful provinces in Canada, especially with the Rockies. During the referendum debate this is an issue we would like to bring up.

However, we will not support this opposition motion and I would gladly like to debate this a little further with the hon. member for Wild Rose in his constituency.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, quite a bit was said by my colleague from Fraser Valley in terms of giving examples of why Motion No. 19 is on the floor, why we want this review in place when there has obviously been something that did not go right. Simply asking for a review makes sense.

If we parole a killer and he kills somebody again, it is only common sense that we look at the results that brought us to that decision. How many times do we have to say that? It is called accountability. It is time all of us became accountable for that for which we are responsible.

We have the charter of rights and freedoms. We really need a charter of responsibilities. It should apply to everyone, including members of parole boards.

I believe in this past year there have been some improvements. One improvement was the firing of the previous chairman of the parole board and the hiring of the new one. I compliment the present chairman. I have had many visits with the present chairman. He wants to ensure to the best of his ability that the most competent people, the most able, the most knowledgeable are placed in those positions.

• (1250)

The biggest fear I have for him is that patronage goes on and on, another patronage appointment. I read not too long ago that 11 people were put on the Queen's bench across the provinces; failed Liberal candidates, party hacks and fundraisers to fill the benches across the land. The justice minister and his 11 disciples are now in place.

Making patronage appointments is not the way to fill these positions. The present chairman of the board wants competent people. He is very knowledgeable. If we allow him the authority to run it the way he feels appropriate it will be better. Nevertheless, regardless of whether they are judges or whatever else, everybody has to be responsible for what they are expected to do.

Mr. Speaker, being from Edmonton you will remember Daniel Gingras, good old Daniel Gingras, the guy who was awarded a birthday pass. Remember how it blew everybody's mind that this killer, this dangerous offender, could be awarded a birthday pass. He had been in for a long time and the parole board decided he should have a birthday pass. Not only that; it allowed him to pick the guard to go with him because it was supposed to be a supervised day.

I do not have to say he sized the guard up. He did not pick the most powerful, biggest one he could find. He picked the one he thought he could overcome, and he did. How many women died that day, two or three? And nobody is accountable.

Surely with something like that it would make sense to review the whole thing to make sure it never happens again, which is all this motion is asking for. It will not create a huge expense. It will not do anything except accomplish one thing, an effort to make sure we are accountable to the people of Canada when we are drawing money from them and filling our pockets with paycheques. If we are being paid by the people we should be accountable to them. This motion will allow that.

Once again it blows my mind how anybody can oppose such a common sense motion. I heard rhetoric a few minutes ago by the parliamentary secretary about all the wonderful things this genius of a justice minister has done. He has not done anything. There has been nothing accomplished. Wait, he fixed the Young Offenders Act. No, he did not. Wait, let us talk about guns, remember? He has fixed that. He has gone after duck hunters, deer hunters and rabbit shooters. Give me a break.

I forgot about Bill C–41. Now we have done it. We will get tough on those who commit crime based on hate. We will let them have it. However, if we ask them to get tough on all crime they say that is not the Liberal way. They talk out of four sides of their mouths. Sometimes I do not know what they want.

I have one last appeal. It is time people who are paid by Canadians are held accountable for the decisions and the jobs they do. This motion would help that happen.

• (1255)

The Deputy Speaker: Is the House read for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion. No. 19. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: The motion stands deferred according to the standing orders.

The House will now proceed to the taking of the deferred divisions.

Call in the members.

And the bells having rung:

The Deputy Speaker: A request has been made by the deputy whip of the governing party. Divisions on the matters before the House stand deferred until Monday, September 25 at 6 p.m.

* * *

[*Translation*]

CANADA–UNITED STATES TAX CONVENTION ACT, 1984

Hon. Sergio Marchi (on behalf of the Minister of Finance) moved that Bill S–9, an act to amend the Canada–United States Tax Convention Act, be read the second time and referred to committee.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I welcome the opportunity to speak in support of Bill S–9 to ratify the recently–signed revised Protocol to the Canada–United States Tax Convention.

This is work–a–day legislation that addresses the dual issues of fair taxation and good international relations. In fact, Canada currently has double–taxation conventions in force with 55 countries, including the U.S.

This particular agreement was originally signed in 1980. The protocol being ratified under S–9 will be the third formal modification enacted over a 15–year period.

A substantial amount of the protocol deals with technical issues of definition and clarification of existing rules regarding taxes on income and capital. But there are also a number of important changes which should deliver real benefits to Canada and Canadians, or that enhance the fairness of the two tax systems as they apply to non–residents.

One of these important elements is that the protocol reduces or eliminates the rate of witholding tax that each country will apply to interest payments, direct dividends and certain royalties.

Canada and the U.S. already enjoy the most extensive trade relationship of any two industrial nations in the world.

• (1300)

And our exports to the U.S. are a critical component of Canada's 1994 economic growth, which was the best in the G–7.

[*English*]

By reducing tax withholding rates this protocol should ease and encourage the continuing growth of trade and investment between our two nations. I should mention that it brings these rates into line with those provided in the OECD model tax convention, rates accepted by a majority of the 25–member countries of that organization.

Let me outline the specifics of these changes. Under the protocol the general rate of holding tax on direct dividends will be reduced to 5 per cent by 1997 from the current 10 per cent. In consequence, the protocol also drops the rate of the branch tax to 5 per cent again by 1997.

Regarding the withholding tax on interest payments, the protocol will see the rate reduced to 10 per cent from the 15 per cent rate that applied under the previous 1984 protocol. As well, the new agreement ensures that interest paid between a buyer and an unrelated seller will continue to be exempt from the withholding tax in the source country, even if the indebtedness has been transferred to a third person.

Finally, this agreement will eliminate completely the withholding tax on royalties on computer software and on patent and technological information. Let me remind the House that bilateral relief will have very beneficial effects: first, by reducing the cost to Canadian companies of accessing technology and know–how from the U.S.; and, second, by enhancing the ability of Canadian high tech firms to sell their products and services in the U.S.

Let me move to another area where Bill S–9 will have a beneficial impact. It will restore fairness regarding the impact of U.S. estate taxes on Canadians holding property there. I should acknowledge right off that there have been some concerns raised about this aspect of Bill S–9. Let me be blunt. Anyone who thinks that this is an unwarranted tax gift to the wealthy is mistaken and clearly does not understand the legislation and the changes in U.S. law it addresses.

Under current U.S. law enacted in 1988, Canadians who die holding U.S. property valued at over $60,000 U.S. may be subject to U.S. estate taxes. This is a much lower threshold than American citizens face. Once the protocol is ratified by our two nations, however, Canadian residents will be entitled to treatment that is not less favourable than that available to our American neighbours. In other words, this means Canadians will generally not be subjected to estate taxes unless the value of the individual's worldwide gross estate exceeds $600,000. In addition, a special marital credit will be available with respect to property transferred to the spouse of the deceased.

There is a further change, again to enhance fairness in the way our two tax systems operate, involving U.S. estate taxes and their Canadian equivalent. Under the protocol our government has agreed to provide a credit against Canadian taxes on U.S. source income to the estate of a Canadian citizen in those cases where U.S. estate taxes are also levied. The United States will grant a reciprocal credit for Canadian income taxes levied on a deceased American.

Incidentally, it is also important to note that this provision is effective retroactively for death occurring after November 10, 1988 when the major changes to the U.S. estate taxes affecting Canadian residents were introduced.

Let me reiterate that these changes do not represent a gift of any sort to any Canadian. Given the fiscal challenges facing our government, we have no interest in helping the affluent escape paying their fair share of taxes. But fairness equally demands that no Canadian, whatever their means, should be cavalierly subject to the bane of double taxation. This is what this tax treaty protocol works to do, eliminate double taxation.

• (1305)

The changes agreed to by our nations recognize that while both Canada and the United States impose taxes regarding death, these take two separate forms. The U.S. applies an estate tax, but in Canada the levy takes the form of an income tax on any appreciation of a deceased's property over his or her lifetime. These different forms of death tax have created a problem.

Canada, like most countries, has rules to prevent double taxation. However, these rules do not cover a situation like this where the taxes are imposed in different forms. As a result, unless the dilemma is corrected cases could arise where the estate of a Canadian with U.S. property would face combined

Canadian and American taxes conceivably exceeding the property's value. Obviously, that is absurd.

Our revised Canada–U.S. tax treaty corrects the problem. It does so by allowing Canadians to credit U.S. estate taxes against Canadian income taxes on U.S. income. In parallel, it allows Americans to credit Canadian income taxes against the U.S. estate tax liability.

I have covered the two most important areas of the tax treaty change that this legislation will ratify. There is another aspect to the protocol that I would like to review briefly. It deals with social security payments made by one country to someone who is now a resident of another country. Under the existing convention, such payments are not taxable in the source country. In other words, an old age security or Canada pension plan payment to someone who now lives in the United States is not subject to Canadian tax and only one–half of the benefit is taxable in the other country. Once the protocol is ratified, however, social security benefits paid from one country will be taxable exclusively in that country. They will no longer be subject to tax in the other country.

I should point out that once the protocol is ratified our government will be proposing amendments in the Income Tax Act to apply the non–resident withholding tax to these payments. These should take effect next year.

The issues I have highlighted represent the most important and substantive changes to the existing tax convention between Canada and the United States. Now let me flag some of the more technical amendments the protocol also addresses.

There is a provision allowing for a better working of the rules concerning charitable contributions to tax exempt organizations of the other state.

Another provision covers an arbitration mechanism for the settlement of difficulties over the interpretation or application of this convention.

The protocol also introduces an article providing for assistance in the collection of taxes of the other state and to improve the exchange of tax information between our two countries.

These are small but useful steps for improving our country's ability to collect taxes owing, something the Minister of Finance pledged loud and clear in the February budget.

In conclusion, Bill S–9 is the result of carefully considered negotiations between Canada and the United States and I ask the House for its support as soon as possible.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, as far as Bill S–9, whose purpose is to amend the August 31, 1994 tax convention between Canada and the United States, is concerned, we do not see any major problems with these amendments to a tax convention that was first signed with the U.S. in 1980, if I am not mistaken, and then amended in 1983 and again in 1984. So this is the third time we are amending this tax convention to make it better with time and facilitate trade between Canada and the U.S. to the maximum extent possible. I will get back to these trade relations between Canada and the U.S. and between Canada and its other trading partners toward the end of my speech.

Of course, since this is my first speech in this House since Parliament reconvened, I cannot help but point out that our legislative agenda is extremely modest. The bills we are reviewing are anything but controversial or would have very little impact in the short term. In other words, we are trying to dispose of our leftovers.

• (1310)

We might have expected, upon returning to the House, to be able to debate the reforms announced by the government that are late in coming with respect to unemployment, the old age pension plan, the human resources investment fund as well as the long–awaited GST reform that the Liberal Party promised in the election to carry out within two years. Time is running out; we are almost there. We now realize that this will not happen. There is absolutely nothing on the table indicating this can be done within the next two years.

Since these matters are not on the table, we are debating those bills that were tabled. However, we can deplore the fact that a government which claims to be concerned with job creation and the real problems has put so little on the table for the people of Quebec and Canada to enable us to discuss the economic and social future of this country as seen by this government. Instead, we are debating other important issues. There is no denying that tax conventions are important, but we would have liked to be able to discuss other topics as well.

Coming back to this convention and the subject of tax conventions in general, the purpose of tax conventions is to avoid double taxation, that is to say the levying of taxes in two different countries on foreign investments. This fosters the free movement of capital without putting tax barriers in the way of investing in other regions. And this fits in with the strong world–wide trend towards free capital flow. This is a good thing in that it allows resources to be directed where they will be the most useful to make better use of often scarce resources. In time, this will enable us to improve our economic system, provided of course that we manage to incorporate the other factors.

So, avoiding double taxation and ensuring that fiscal constraints are not created foster trade between countries. Bilateral trade between Canada and the United States is constantly growing. As well, trade between Quebec and the U.S. is also on the rise, particularly since the free trade agreement, which received strong support from Quebecers, came into

effect. In fact, Quebecers were the instigators of this agreement. Therefore, we are dealing with a strong tendency.

We know that a north–south pattern, that is commercial trade between the U.S. and Canada or Quebec, is often much more natural than an east–west movement.

We often overlook the fact that it is very appealing to trade with several northern U.S. states, given their huge potential market, both for Quebec and for Canada. The same is true for western provinces in particular, but also for Ontario. There is a huge market out there and this is why we must ensure the best possible movement of capital, goods and services between the two countries.

I am pleased to see that the Liberal Party finally changed its tune regarding international trade. As you remember, the Liberals were strongly opposed to the free trade agreement. Even during the election campaign, they still had some reservations. However, once they came to office and saw the benefits of that treaty, common sense prevailed. I am glad to see that when the government is confronted with economic reality, common sense prevails. And this will always be the case in the future.

I am also pleased to see that the Prime Minister's views on international trade, which seemed so irresponsible to me during the election campaign, have now been adjusted in light of reality.

Sure, we can criticize someone who says one thing during the election campaign only to act differently once in office. However, that irresponsibility is not related to what is said or done once in office: rather, it has to do with the promises made to Canadians during the campaign and the resulting expectations.

The government's attitude is now much more responsible. And that is true in the case of international trade. We are pleased to see that Canada is prepared to accept Chile as a party to the North American Free Trade Agreement. Indeed, we are glad to see that when there are real opportunities to promote economic trade, the government leaves politics aside and strives to promote the development of new markets.

• (1315)

All this leads me to believe that, if Quebecers decide, as they will be asked to do very shortly, to opt for political sovereignty and be in charge of their own political agenda, their tax system and their economy, logic and common sense will prevail. I think Quebecers realize that. My riding is right on the border with Ontario, and I think people are well aware of the day–to–day reality of this when they go and buy or sell goods outside the province. So the economy is one thing and, in many cases, the interests of partisan politics are something else altogether.

As far as tax treaties are concerned, I must say that although it is not the first time we have discussed tax treaties since the beginning of this session—there were a number of other occasions—we never really tackled a problem mentioned by the auditor general, when he said that tax treaties were a very good way to avoid double taxation but that in some cases, when tax rates differed substantially in each country, they could lead to a tax haven. It could be very attractive for some people to put their profits on the books of a foreign branch instead of letting them be realized by parent corporations which are often located in countries with higher tax rates.

This is quite a problem. The auditor general gave 16 examples which could be considered tax havens, to varying degrees. Some very slight changes were made in one of the finance minister's two budgets, but they were not more than that. There have been no further discussions on the subject since that time, but we will have to do it sooner or later.

Trade is expanding between countries throughout the world. The free trade movement is spreading and covers all of North America. If you go to South America, each country has its own tax system. Increasingly, multinationals are using the so–called butterfly system, in which certain components are manufactured by one company and other components by another company. They are all connected to the same corporation which, in the process, manages to pay the lowest possible tax rate.

Companies do that, they hire tax experts to check the various tax rates and best locations for booking losses and profits. These companies sell goods to each other, to their various branches, and they can often artificially change their prices so as to channel their profits to the country with the most attractive tax rate and their losses to another country. Furthermore, in Canada, interest payments on loans are tax deductible.

So a company can decide it is attractive to borrow money here, to use our tax system to deduct interest costs, and then try to channel profits to another location. We must not forget that capital losses are also deductible in this country, which is normal, so they can declare their losses here, take advantage of the deduction on interest payments and channel their profits abroad. This is quite a problem.

It is less of a problem with our biggest trading partner, the United States. But that does not mean it is not a problem in the 16 cases listed by the auditor general. As I said, we must not necessarily assume that the same degree is involved in all 16 cases, but an extremely thorough analysis would need to be done, looking at each situation closely.

The government has undertaken no action in this connection. The finance minister has even been questioned on this matter on several occasions and has never even admitted that it was a

problem for him. Under such circumstances, we have a long way to go. It is like denying reality. As you know, in solving problems the first step is admitting there is a problem. I therefore hope that my colleagues in the government who are present will be able to make the minister aware that there is a major problem he will have to address. It is certain that our Parliament can pass tax conventions piecemeal, one at a time, as they are modified and adopted. Others will need to be adopted in future with other countries with which we might create economic ties.

There is much talk of Canada's turning its eyes to Asian markets. One day there will also be talk of agreements with them, and that will have to be looked into. It would therefore be rather appropriate for somebody, somewhere, who is concerned with real problems, and admits to being concerned with real problems, to say that this is something that needs further examination.

• (1320)

There is no denying it could become a financial problem, at a time when we are continuing to tighten the screws on society's most disadvantaged, claiming rightly that public finances are in a sorry state. Socially, however, it is becoming hard to accept, because the same people are always being hit.

I understand that these things are complex and not easy to explain to the public, but it is our job to follow them.

According to a newspaper article I was reading, there is even a Liberal member challenging this and other tax conventions and other government actions, on sometimes legitimate and sometimes debatable issues. So, as we can see, even within their ranks, things are not unanimous. It would be worthwhile discussing this seriously.

The Standing Committee on Finance would be an appropriate venue, but this must not become simply a matter of passing a hot potato on to the committee so the minister does not have to deal with it. We have to give some quick thought to the situation.

This bill is at second reading and will go to the Standing Committee on Finance between second and third reading. There is one aspect of this convention, which the parliamentary secretary talked about earlier and which we will be wanting clarification on. It has to do with the fact that an amendment in 1988 in the United States reduced the non taxable amount of estates for foreigners from $600,000 to $60,000. This tax convention re–establishes the non taxable amount of foreigners' estates at $600,000.

As, today, we are correcting matters and returning to the 1988 figure, it appears that the amendment is retroactive. In a number of cases, therefore, it will mean expenditures, because at the same time a deduction will be allowed for amounts paid as taxes on estates.

This point requires some technical clarification. I am not sure I have hit on the effects of the provision, but we would be happy to clarify this in committee and to have a better look at what it is about. I noted that the parliamentary secretary indicated this was a good thing to do. I know that the matter was discussed in the Senate as well. We in the finance committee can seek clarification from department officials and make sure that, if it is done retroactively, there is some logic behind it and that the government does not lose a lot of money to people who might be able to afford these taxes.

It is a sensitive issue. I have some problems with it. It is difficult to accept such changes on a retroactive basis. This is something governments are increasingly resorting to and it is a rather dangerous trend. It would be better if retroactive amendments were to the people's advantage, but that is not always the case. We have been through this before. I remember in particular the cool reception given to the rather important retroactive amendment made by the former government of the current leader of the No side in Quebec.

It is difficult because individuals are being asked to act more responsibly, to plan for their retirement, and so on, while the government can decide to change the rules of the game from year to year. The retroactive effect of one provision of the amendments to the convention is something that should be clarified in committee.

In conclusion, may I remind you that this tax convention is nothing new. These are simply amendments to a convention that was signed with the U.S. 15 years ago. This is the third time it is being amended. That is quite normal. Things evolve with time, allowing us to improve economic relations, especially since the 1988 free trade agreement with the U.S., which is an important instrument of future trade for both Quebec and Canada.

I am happy to see that when the government side does something concrete for the economy, common sense prevails over last year's electoral stand on the U.S. They must be pragmatic enough to make sure that businesspeople in both Quebec and Canada can do business and be as profitable and efficient as possible so they can contribute to the country's economic growth.

• (1325)

I hope they will take the same attitude during the Quebec referendum campaign, although I doubt they will because of their partisan politics. But common sense will prevail again the day after. The economy is one thing, but politics is something else.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise today to support Bill S–9 amending the Canada–United States Tax Convention Act, 1984 for a third time, as mentioned by the two previous speakers.

For all intents and purposes the act is already a done deal as its contents were agreed on in a protocol signed by trade representatives from both countries on March 17, 1995. The protocol bill became Bill S–9 and the Senate subsequently approved it on May 3, 1995. That leaves it up to members of the House of Commons and specifically members of the Standing Committee on Finance to give it one last good look.

Basically tax treaties and their amending protocols have two main objectives, the avoidance of double taxation and the prevention of fiscal evasion. Since they contain taxation rules different from the provisions of the Income Tax Act they become effective only if we give them precedence over domestic legislation by passing bills like Bill S–9 through Parliament.

I want to make sure Liberal members opposite understand what that means. For Canada to simplify its tax rules with regard to trade with the U.S. its politicians pass bills like Bill S–9 that bypass the convoluted, complex and complicated Income Tax Act. With all due respect, what a treat that must be. Canadians sit at home trying to figure out their T4s and their T4As and phrases such as discernible loss while a few trade representatives sign a tax protocol not subject to any aspect of the Income Tax Act.

The primary objective of most tax treaties is the avoidance of double taxation. Bill S–9 makes a number of important changes in this area, including bilateral reductions and withholding tax rates on dividends, interest and royalties reflecting the rates now accepted in most countries, a complete withholding tax exemption for payments for the use of U.S. technology, relief for Canadian residents from the application of U.S. estate taxes, increasing the maximum estate tax exemption from $60,000 to between $600,000 and $1.2 million U.S.

I wonder if the Minister of Finance will be bringing in estate taxes in Canada in his next budget, making this section of the bill an exercise in futility.

With regard to double taxation, Bill S–9 expands the exemption from U.S. tax for the income earned by RRSPs, RRIFs and the Canada pension plan.

In the area of fiscal evasion the bill gives authority to impose withholding on CPP and OAS payments made to American residents. The 1984 treaty only allowed the American state these former Canadian residents lived in to tax such payments. Now we can withhold the money at source if it is being collected illegally.

There is also a provision in Bill S–9 for a mutual assistance in the collection of taxes owed by a citizen of one country who resides in the other.

These are very positive measures which our party fully supports. However, what disturbs me is that we can accomplish these changes internationally but not internally, not domestically. For example, we can agree to chase tax evaders north and south of the Canada–U.S. border yet nothing has been done by the government to chase those who evade things like child support across our provincial borders. It is a double standard.

Another example of this can be seen in reductions and withholding tax rates on the dividends, interest and royalties held in Canada and the United States. What about the continuing double taxation of domestic dividends in Canada? This is a double standard. Our trade representatives seem to be able to negotiate what our domestic politicians and representatives cannot.

The question that begs to be asked is why. The answer is because bills like Bill S–9 take precedence over the Income Tax Act. They are not governed by it. Maybe it is time Canadians did not have to be governed by the Income Tax Act either. Maybe it should be repealed. Maybe it is time to get rid of it altogether, start from scratch and build up a whole new base to create a simple, visible and fair system of taxation such as the flat tax.

• (1330)

Philosophically, certainly it is in tune with the times. Practically, it would be keeping in step with what is going on in the United States. A protocol bill like this one seems to solve all our problems. Many Republican representatives in the United States are looking at a flat tax. They are looking to simplify their system. They are looking to make it more fair, where people who make the same level of income pay relatively the same amount of tax. They are looking to reduce the high compliance costs of tax collection.

What is frustrating to me is that the majority of Canadians have to hire accountants to do their personal income tax returns. Our corporations have to hire accountants to do their tax returns. Businesses have to figure out their GST calculations and submit them to the government. In other words, the private citizens and businesses are paying to keep track of taxation for the government, and it still costs Revenue Canada $1.2 billion to collect our taxes. It still costs $400 million to $500 million for the GST revenues to add it all up. That is almost a cost of $2 billion when the people in the businesses are doing the work. Implementing a simplified taxation system would reduce that cost. It would be in line with what we are doing with protocol agreements such as we have in Bill S–9.

It is so obvious and so clear that I do not know what the government has to fear. The Liberal member for Broadview—Greenwood is proposing a flat tax. He has been ignored for 10 years. I do not know why. What is it that makes politicians when they form government afraid to look at a new, clear and fair system of taxation? Why not send the trade representatives who negotiated the deal into the House and let them negotiate in the standing committees a new system of taxation? Businesses would be better off and individuals would be better off.

We have to get rid of the intertwining of our social and economic programs through the Income Tax Act, separate them and have a system of taxation that collects the amount of money we need to pay for the programs Canadians want, be it child care, be it health care, be it education, or whatever it is they want. It could be a megaproject that we would cut but the government would probably continue. Then we would know what the rate should be. Then we would know whom to tax. Then we would know how much to tax. It would be there for us. It would be within our grasp. It is a system of taxation whose time has come; there is no question.

If we can agree on issues between two nations such as how to avoid double taxation, why do we not look at an internal system that would avoid double taxation within our own country? Why are we being so foolish in keeping the burden and the cost of calculating income tax and in keeping the burden and cost of high taxes?

More bills will be coming up later today and tomorrow that concern excise taxes. Some will be decreased; some will be increased. Bill C–90 will increase taxes all over the place. We do not need that. We need tax reduction, not tax increase. I will be talking more about the flat tax in future speeches, so I will drop the analogy of the good things in Bill S–9.

I see the parliamentary secretary to the finance minister. I am encouraged he is somewhat willing to look at what the flat tax has to offer. He has made no commitments, but it is a start in the right direction because it will benefit all Canadians.

In conclusion, once again I repeat that we are in favour of Bill S–9. However we are opposed to the fact that the government will not negotiate the same type of deals at home as it does abroad. Our government cannot continue to smile at the neighbours, make good deals with them and not make the same good deals at home. It is engaging us in fights at home. The separation fight is all about power. It is all about taxation, who should be taxing and at what levels, and getting rid of the double taxation system and the duplication of services. Why not tell the province of Quebec that it can handle *x*, *y* and *z*, that the federal government will get out of that business and that it can collect the taxes for it? That is something which shows that federalism works, but no, the government would not do that.

• (1335)

People in Canada need change in a big way. As we have seen today, positive change can only come about through bypassing, ignoring or disregarding the Income Tax Act altogether. If we had to continue to abide by the rules of the Income Tax Act to negotiate with other countries, we would not get anywhere because no one would understand it.

We have tax lawyers and accountants in this country who are intelligent and highly educated. They give advice to individuals and corporations and at the end of the day sign a disclaimer: "Notwithstanding all the advice I have given you, everything in here might be true or might not be true. My interpretation should be accepted by Revenue Canada, but if it is not it is not my fault". They do our tax returns. If it is in a grey area, Revenue Canada says: "No, you cannot have that". Then the department charges us and we have to pay. If we do not pay we end up having to pay double interest. A person has more rights as a criminal—and I do not want to go back to Bill C–45—than one who misses the filing date of the income tax return.

The government goes after us. It is arbitrary. It leads to conflict between citizens and the bureaucrats. We do not need that. We do not need the department to be frowned on, to be cursed at, to be sworn at. We can simplify the matter and make it better by having a simple system of taxation that everyone understands. Then we would not have taxpayers fighting the department over appeals, over treatment or over rulings. We do not need that.

In conclusion it is time that we start giving Canadians in Canada the same types of rules and rates governing Canadians outside Canada.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I was going to let the matter go to a vote but I was encouraged by the previous speaker to say a few words.

It is clear that Bill S–9 is a result of a complex process flowing from a tax treaty signed between Canada and the United States in March 1995. The Senate quickly got on to this important matter in its judgment and decided to give it top priority over a number of other pieces of legislation. As far as the Senate is concerned it requires top priority. The bill passed in May before the summer recess. Now, in the first few hours of this session of Parliament, the government also says that this is a priority. This tax measure has taken priority in Parliament over all kinds of other initiatives.

I can talk about the high levels of unemployment that are not being addressed. I can talk about all sorts of social, economic and cultural issues that are simply being ignored. The government is saying that this is a priority, that we must bring in a tax provision changing the Income Tax Act to benefit basically a handful of the wealthiest families of Canada.

That is what we are talking about. Let us be perfectly clear. This tax measure will not benefit many people in the constituency of Kamloops or the constituency of Okanagan—Shuswap. I could go through the entire country.

The legislation has been written, drafted or designed to assist the financial concerns of a handful of very wealthy Canadian families.

As the Parliamentary Secretary to the Minister of Finance has argued, it is a matter of equity. I suspect that is true in the

government's eyes. Changes are required in the Income Tax Act so that they are not double taxed on U.S. investments and the fact they live in Canada. The whole matter of tax protocols, tax treaties and the resultant changes in the tax act is something anyone would support.

It is the process that troubles us. We are talking now about the principle of the bill. This is second reading. We are talking about the principle of the bill, that the government and the Senate feel that the matter is of top priority and that we have to do something to facilitate the financial concerns of a handful of very wealthy Canadian families. I doubt it. I doubt if Canadians would recognize it as a top priority.

• (1340)

I find it surprising that my friends opposite, including the Parliamentary Secretary to the Minister of Finance, would have the courage to stand in the House of Commons to say that we have to spend hours today, if necessary, to help a handful of wealthy Canadian families get a better financial deal on their tax bills. There is something cynical about that.

No wonder Canadians are cynical about the government. It is the same members who said to all Canadians not many months ago that if they elected the Liberals they would abolish the GST. That was said from coast to coast to coast, constituency to constituency throughout the lower mainland of British Columbia, throughout southern Ontario, throughout the province of Quebec, et cetera. Liberal contenders in the election said: "If you elect us we will abolish the GST".

The Deputy Prime Minister said that if the GST were not abolished within the first year she would resign her seat. To be fair, I wish we could believe these folks. Canadians are saying that they believe they are actually telling the truth. When my friends from Toronto said to their constituents: "You elect me and I will abolish the GST", they believed them; they said yes.

Bringing some financial tax pain relief to every Canadian is not a priority. As my friend says—and I believe what he says—we will eventually get to it. I suspect that rather than abolish the GST they will abolish the name GST and keep the tax. They might do a bit of harmonizing and so on to broaden it even more so that more items would come under taxation. We could refer to the province of Alberta. Albertans will now have all goods and services taxed as opposed to none.

Changing the GST is not a priority but Bill S–9 is. I wonder how many of my Liberal friends across the way actually know what is in the bill or how many Canadians will benefit from it. Those people that have $600,000 or $1 million in investments coming from the United States will benefit. How many Canadians does that account for?

Mr. Silye: One per cent.

Mr. Riis: My friend from Calgary says 1 per cent. I doubt it is 1 per cent. We should not be giving priority to tax policy that addresses the concerns of less than 1 per cent of the Canadian population.

My hon. friend from Calgary Centre made a point that was well taken. He said that most times when we are trying to change the Income Tax Act we use the normal process through the finance committee and various other subcommittees to look at tax exemptions and ask whether they are of benefit to Canada. My friend from Toronto will know about this; he has been working on them for many years. Do they result in some benefit? Often when we have done a cost benefit analysis we have found that they have not. From time to time the government has eliminated tax exemptions or what some of us call tax loopholes. Even the Minister of Finance is using the term tax loophole more frequently.

We ask ourselves how we got into this debt problem. I know it seems to be a jump from Bill S–9 to the debt problem. Let us recognize that Statistics Canada did us a great favour back in 1991 when it identified that 44 per cent of our accumulated federal debt was the result of tax exemptions over the years, the drainage of billions and billions of dollars through tax loopholes.

We might say that some of the tax breaks, tax loopholes or tax exemptions are beneficial. Some are absolute boondoggles and some are debatable. Do Parliament and government give priority to a process that would see the elimination of some tax exemptions and as a result take a major step toward reducing the accumulated debt and deficit? Is that where we devote our attention, energy and time? No. Time is given to Bill S–9 that will benefit a handful of the wealthiest families of Canada. We will send this off to the finance committee now for thorough study where its advantages and problems will be identified.

In summary let us acknowledge what we are doing today. We are taking up valuable House of Commons time at a crucial time in our economic history, when we have 1.4 million Canadians who are jobless, another 2 million Canadians who are underemployed, probably many more than that who are working in low paying jobs and are barely getting by. We are seeing that a priority for this government is to assist a handful of wealthy families with their tax problems.

• (1345)

What about the tax problems of every other Canadian? What about the tax problems that every small business person is struggling with today? My friend from Calgary Centre indicated that people are struggling through their tax returns and so on and need a tax accountant, a tax adviser, a tax lawyer for the simplest type of taxation situation.

It is with regret that we have this debate today, because of all the priorities facing the country this has to be almost at the

bottom of the bloody list. However, the government says this is a priority, so to them it is and we have to deal with it.

Let me say that on the principle of this bill we in the New Democratic Party will be voting against it.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I commend the member for Kamloops for his commitment to total comprehensive personal and corporate tax reform. I too share with the member and the member from Calgary Centre the view—and there are many other Liberals on this side of the House who share their view—that this is an issue the people of Canada want us to address. Canadians are hoping we address this issue of personal and corporate income tax reform in the next little while.

The Minister of Finance over the next 90 days will be preparing a budget statement and preparing for a budget obviously early next spring. This will be our window. This will be the time for all of us in the House to deal with this very important issue.

I am not going to get into a long debate on this. I do not think that is where I am coming from today, but I would like to ask the member from Kamloops a very specific question. Over the next 60 days, could we count on the support of the member and the New Democratic Party to roll up their sleeves and work with us to see if we could, as a bipartisan effort in the House, come up with a package that deals with the whole notion of comprehensive tax reform, both on the personal and the corporate side?

Mr. Riis: Mr. Speaker, this could be one of the happiest days of my life, responding to this question.

If there is an issue facing the country right now, one of the top issues that is frustrating Canadians is the matter of our unfair, unjust, biased tax system at both the corporate and personal levels. A major overhaul is required. For us to go into the details of why that is the case, they are all well known. I suspect we have all had constituents lined up 50 or 60 deep some days explaining their problems with the tax system.

I can commit to my hon. friend from Broadview—Greenwood that there is nothing I would enjoy more than to sit down with him and others in a non–partisan effort to examine every tax provision that presently exists on a cost benefit basis to the people of Canada and come up with a comprehensive system of tax reform that would bring fairness back into the system. People would see the tax system as being fair to both them and others, where there would be nobody who would obviously benefit from that system.

• (1350)

I know some of my friends are very keen about the flat tax system. I am not sure what they mean by the flat tax because there are all kinds of definitions of that, as my friend from Broadview—Greenwood has explained in his publication and others beyond what he said. However, it is something we need to look at among a whole set of alternatives and various proposals to have a fairer tax system so that the most popular book come the new year is not on how to avoid tax.

When we go into bookstores across Canada, no matter what bookstore it is, the front counter now has issues and issues and various publications on how to beat the tax man. The reason they are popular is because every single person and business person knows that the tax system is unfair.

I will use one example to measure the unfairness in how the tax system is being used. The audit division of Revenue Canada tells us that for every $1 it invests in an audit procedure it collects $6 back. It is not necessarily that people are all breaking the law, but they are certainly hedging on that. In other words, they are saying that this does not seem to be clear so I am going to make my tax decision in this grey area. As a result, the treasury of our country is losing billions of dollars that would normally be collected. However, because of a tax system that is so vague, so grey, so biased, so unjust and so unfair, people are revolting against it in a number of ways.

Let us not forget that the obvious way the people are revolting is by participating in the underground economy. What are the losses there? The experts will tell us that anywhere from $40 billion and $160 billion are lost each year because of transactions that are not registered and not taxed as a result of the underground economy.

Therefore, I say with enthusiasm, in response to my friend, yes, I will be willing, with my party very strongly behind me, to participate in any measure that will result in a fairer tax system than we have today.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I would like to ask the hon. member for Kamloops a question. If he believes that the current system of taxation is unfair, that the current taxation system is too high, what does he think about the current level of government spending?

Mr. Riis: Mr. Speaker, I want to respond to my friend. He might be playing a bit of politics here, but I think it is a question that deserves a serious answer on my part.

How has our accumulated debt occurred? Fifty per cent of our accumulated debt comes from the result of compound interest because of our high interest rate policy. Forty–four per cent of our compound debt is as a result of tax exemptions. Six per cent of our compound debt is as a result of government expenditures.

Let us recognize that in some areas we have overspent, but in my judgment in some areas we have underspent. There are some areas where we should be spending now to encourage people to find ways and means of getting back to productive work. Let us

recognize that the best social program in this country is for someone to have a decent paying job.

The Deputy Speaker: The member's time has expired. Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to, bill read the second time and referred to a committee.)

The Speaker: It being almost 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

ALTERNATIVE FUELS

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, GFI Control Systems Inc., located in the riding of Waterloo, is the world's leading designer, manufacturer, and supplier of technologically advanced natural gas and propane automotive fuel systems. GFI holds the coveted ISO 9001 quality certification for its entire facility.

GFI products are now being exported to the U.S. and to over 10 other countries and to dozens of original equipment manufacturers that are moving to alternative fuels.

As a result of legislation in the U.S. and Bill S–7 in Canada, GFI is looking forward to additional sales and employment. In order to accommodate this growth, GFI is enlarging its facility. This expansion will produce several advantages. The new and improved facility will accelerate the development of leading edge technology for markets worldwide. It will allow GFI to operate an in house emissions control laboratory. It will also offer opportunities for more extensive training of dealers and technicians. The centre will create 50 new jobs.

The success of GFI is good news for the consumer, the environment and Canada. To all the people involved with GFI we send our congratulations and thanks.

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[*Translation*]

SIMPLE MAJORITY RULE FOR REFERENDUMS

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, in July 1948, barely 52 per cent of Newfoundland voters taking part in a referendum agreed to join the Canadian federation. In November 1994, 52 per cent of Swedish voters supported their country's entry into the European Union. Two weeks later, 52 per cent of Norwegians voted against joining the EU. And in France, the Maastricht Agreement was approved by 50.9 per cent of voters.

In fact, the simple majority rule as applied to referendums is universal because it is the only democratic rule. The official opposition did the right thing by reminding the Prime Minister of this fact this week, as Robert Bourassa did in Washington yesterday. The only one who does not admit that Quebecers have this right is the Prime Minister of Canada, who should know this basic democratic rule.

* * *

[*English*]

GOVERNMENT AGENDA

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I rise today to draw attention to the weakness of this government's agenda, an agenda so thin the government House leader's closest relatives would have trouble getting excited about it.

This thin soup agenda is creating a tremendous leadership vacuum. The provinces are losing faith in Ottawa as a force for social change. Individuals are losing faith in Ottawa as a catalyst for jobs and economic growth. The country is losing faith in Ottawa as a source of fresh innovative ideas.

Reformers are not going to wait for this government any longer. It is time to put some meat in the soup. Earlier today the Reform Party took the first step by outlining the national Reform agenda for Canadians.

From the day we arrived in Ottawa, Reform has acted as the de facto official opposition, but the Liberals' continued silence on important national issues has convinced us we have to act as the de facto government as well. As Canadians will see, that is the role we are prepared to play.

* * *

CANADIAN NATIONAL RAILWAYS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, yesterday CN laid off 266 people at the CN shops in my riding. How hollow the 1993 promises of the Liberals now ring about jobs and preserving Winnipeg as a rail centre.

Workers are being let go to improve the books for privatization purposes. The government now says it will not be trying to sell CN until after the referendum. Where I come from, we still say there is no need to sell it at all.

I can tell you what else is being said, Mr. Speaker. People wonder why Montreal is being guaranteed the headquarters of a privatized CN when all we seem to be guaranteed in Winnipeg is

more and more layoffs. In their view CN headquarters should be in western Canada where most of the traffic is.

At the very least the government should indicate that it will reconsider the way it has bound privatized crown corporations like Air Canada and soon CN to keep their headquarters in Montreal, especially if the vote goes the wrong way on October 30. I am sure that Canadians want privatized Canadian crown corporations to be headquartered in Canada.

* * *

• (1400)

TERRY PUHL

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise today to pay tribute to an outstanding Canadian athlete and the community that honoured him.

On September 14 the town of St. Mary's, the future home of the Canadian Baseball Hall of Fame, hosted 15–year major league veteran Terry Puhl.

Terry, a native of Melville, Saskatchewan, spent 14 of his 15 seasons with the Houston Astros and holds a .280 career batting average. Also known as a superb defensive player, Terry holds the major league record for the best fielding percentage in baseball, .993.

In six of his seasons he did not make a single error and he had only 19 in his entire career. Terry Puhl is the first player to be inducted into the new St. Mary's home of the Baseball Hall of Fame and Museum.

This visionary and enthusiastic community of only 5,000 people is undertaking to build an $8.7 million complex to showcase Canadian baseball history and heroes.

I congratulate the people of St. Mary's for their hard work and dedication toward this goal. I wish them success.

* * *

HUMAN RIGHTS

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, 16–year old Sarah Balabagan faces the death penalty in the United Arab Emirates for the stabbing death of her employer.

Last June she was given a prison term but was awarded compensation for the rape she endured at her employer's hands.

It was shocking that last Saturday her sentence was changed to death. This is reminiscent of the hasty execution six months ago in Singapore of another Filipino nanny, an execution deemed unjust on subsequent inquiry but too late.

I therefore urge the House to intervene on Sarah's behalf to allow a full and impartial judicial review of her case.

Canada has long prized human life and championed women's rights worldwide, the theme of the U.N. conference on women held in Beijing. Canada's support may well be the saving voice for this young woman's life.

Canada's timely stand on this matter goes beyond the life of this one young woman to the lives of all women of the world.

* * *

INDIAN AFFAIRS

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, last week I proposed the concept of a sacred assembly to consider aboriginal issues from a spiritual perspective. This assembly will bring together native and non–native spiritual leaders in the spirit of healing and reconciliation.

I am pleased to report to the House I have received positive responses from churches, spiritual leaders, communities, national groups and my colleague, the hon. minister of Indian affairs. We are now in the process of assembling a working group.

I envision this assembly as a forum for sharing spiritual wisdom on aboriginal issues and as a forum for promoting reconciliation between native and non–native communities in Canada.

This must happen if Canada is to heal and grow strong. I know many here have drawn on faith in our creator to guide and sustain us in our work in the House. In the spirit of this faith I call on all my colleagues in the House to offer their support on this initiative.

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[*Translation*]

QUEBEC REFERENDUM

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the tour organized by women for the yes side in Quebec allowed thousands of women to find out about the choices in the upcoming referendum: on the one hand, a federal system in which unemployed workers and welfare recipients are seen as lazy and higher education is reserved for the rich; and on the other hand, a sovereign Quebec where women can help meet the challenges of a modern society attuned to their needs and priorities.

For the increasingly numerous sovereignist women in Quebec, history has clearly shown how federalism has become a barrier to collective growth. And this government's policies are not likely to make them change their minds.

What Quebec women want above all is a blueprint for society that will finally meet their aspirations. The side in favour of change is proposing such a blueprint. Women see sovereignty as

an instrument of social change that will make it possible to fulfil all their hopes.

[*English*]

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AGRICULTURE

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, farmers across western Canada are frustrated with the government's botching of the Crow buyout. Farmers who have diversified are being disqualified from compensation.

• (1405)

The FCC and banks are reneging on giving a fair share of the buyout money to producers. The government has failed to bring efficiency into the grain handling and transportation system. Furthermore, organic growers are penalized for marketing and transporting their own grain. Domestic beef producers are constantly harassed by arbitrary offshore beef imports.

For two years we have been promised a special crops act without action. Instead of encouraging the industry the government is putting small seed cleaner plants out of business with more regulation.

While the government expends all its energy on the referendum question, farmers are forced to watch their problems being ignored. It has become clear they can expect no action from this thin soup Liberal agenda.

* * *

REFORM PARTY

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, I was surprised to read in this morning's *Daily News* that the member for Fraser Valley West will not be relocating to Atlantic Canada for in his own words "who the blank would want to run there?"

There are 32 members in the House who have worked hard every day for years to represent the real concerns of real Atlantic Canadians.

In his own words the member was "trying to be nice" because he knew he would be quoted in the newspapers. This proves once again Reform's only motivation is political expediency. The third party is trying to score points on the backs of Atlantic Canadians. The people in Atlantic Canada deserve better.

The leader of the Reform Party this weekend said he would keep the fishery on the national agenda. This is the same man who told Atlantic Canadians the fishery is dead. We are not fooled by the publicity mongering of the Reform Party. Getting on the front page is one thing; dedication to the issues we face in our regions everyday is another. That is where the Reform Party falls flat. Its agenda is bad news for Atlantic Canadians.

QUEBEC REFERENDUM

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, Canada is the best country in the world in terms of quality of life. As well, it is the second wealthiest country.

As Canadians, the people of Quebec already share in this good fortune, yet the separatists say they will give them more. What more can they mean? What is better than best?

The people of Quebec must look carefully at the promises being made. The truth is a yes victory guarantees the Quebecois nothing whatsoever; the Canadian dollar, economic and political partnership, Canadian citizenship, nothing would be guaranteed.

The people of Quebec and their forefathers shared in the hard work and vision that led to the development of this great country. They must not lose their stake in its future. Their children deserve their birthright, Canadian citizenship.

* * *

[*Translation*]

COMMON CURRENCY

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, as regards the use of the Canadian currency by a sovereign Quebec, it is interesting to look at the recent case of the Czech and Slovak republics. These two new republics had agreed to use a common currency for a transition period of at least six months following their separation. After thirty–nine days, the fear and insecurity of capital holders, that resulted in a massive transfer of assets to other countries, led to this laudable goal being discarded.

The new Slovak republic only had three days to print its own currency to put an end to the massive flight of capital. Today, the currency of that republic, which is the smaller and more vulnerable of the two new states, is worth 12 per cent less than the Czech currency.

By separating from Canada, Quebec would also become extremely vulnerable to such a massive flight of capital. Is the separatist dream really worth the price that will have to be paid? Mr. Speaker, the answer is no.

* * *

BOMBARDIER INC.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, Bombardier's senior management is resorting to pressure tactics to force its managers to join the no side and make financial contributions.

Such a practice is unacceptable in a democratic system. It seems that the man behind all this, Laurent Beaudoin, did not learn from the mistake he made in 1992, when he disregarded the Referendum Act, to help the federalist side during the

referendum on the Charlottetown accord. Clearly, to act in such a way is to show very little respect for democracy and freedom of choice.

• (1410)

What concerns us even more is that, in a document distributed to businesses and entitled "Businesses and Unity: Issues and Ideas", the Privy Council encourages business leaders to get their managers on board for the crusade.

It would appear that Bombardier's senior management carried out these instructions to the letter. Such practices are unacceptable, in our view, and those who use them should think about what they are doing.

* * *

[*English*]

JUSTICE

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, Canadians are asking why our justice system is not protecting them.

In British Columbia a 10–year–old was kidnapped from her home and killed. In Calgary a fourth woman in seven weeks was murdered. The justice minister still rules out any debate on the death penalty. In Montreal a biker war claims innocent lives.

The justice minister uses the charter of rights as an excuse not to act. Murderers can be paroled after only 15 years of a supposed life sentence, yet the minister has failed to repeal this weak kneed loophole in the Criminal Code.

The justice minister will spend millions on a gun registry but does nothing to set up an effective registry of known child sex offenders.

In Canada we should not be living in fear for our children's safety and our own. The Reform Party has a clear and specific program to fix the Liberals weak response to justice concerns. The time for a safer Canada is now.

* * *

THE ECONOMY

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, over the past several weeks my Carleton—Charlotte constituents have continued to bring forth the same message for the House and for my government. The message conveys our love and our respect for our brothers and sisters in Quebec and our hope they will remain part of this country, the best country in the world in which to live.

However, my constituents also wish to inform us they want the number one priority of the government, the agenda for jobs and growth, to continue.

We have made progress but there is still a long way to go and a lot of work to be done. Continued economic growth and jobs for our children and our grandchildren are the issues of major importance to my Carleton—Charlotte constituents and to all Canadians.

I urge my government to ensure economic growth and jobs, the agenda initiated by the government, continue for the benefit of all Canadians.

* * *

[*Translation*]

ECONOMIC AGREEMENTS

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Mr. Speaker, the separatists can no longer lead the population of Quebec to believe that they will force all of the foreign countries to their knees, as they said last week in connection with Ontario, when it comes time to negotiate economic agreements.

Contrary to their claims in their referendum agenda, a separate Quebec will not be able to join the North American Free Trade Agreement automatically. This claim they have been making, the Leader of the Opposition in particular, has just been contradicted by an American expert who took part in the Free Trade negotiations.

According to him, accession by a sovereign Quebec would not happen automatically and there might be a danger of the negotiations reopening issues dear to the heart of Quebecers, such as culture, the marketing of agricultural products and even our hydro–electric energy treasure, Hydro–Québec.

In conclusion, the Bloc's separatist agenda does not serve the true interest of Quebec and that is why they will be hearing a resounding no this coming October 30.

* * *

[*English*]

THE GOVERNMENT

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the government is walking very timidly, doing nothing at all in order to improve its chances of doing nothing wrong.

While all eyes are on the delicate balance of power between Ottawa and the provinces, especially Quebec, the government pursues its thin soup, no issue non–agenda.

Where are we on the promise of a more responsive and democratic Parliament? While the government is paralysed by the Quebec question, Canadians wonder what has happened to the free votes the government promised. There are at least nine hapless Liberals in the House and multitudes of Canadians who are deeply disappointed about that broken red book promise.

Why should Canadians elect and pay for MPs who are totally shackled to their political masters and who are unable to speak for and vote for their constituents wishes?

I tell Canadians not to give up. The Liberals can be thrown out and the Reform Party is ready to make this place work on the democratic principles Canadians expect.

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

OPERATION UNITY CENTRE

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the Privy Council took great pains to remove three quarters of a document intended for the Minister of Labour from the public eye. The document, which appears to describe the activities of the operation unity centre, was obtained by the opposition under the Access to Information Act. I say "appears", because the government whited out most of the pages before sending them to the Information Commissioner. Even the table of contents is secret. Mr. Speaker, this is too much.

What lessons in transparency can the Prime Minister offer to the Government of Quebec when he keeps three quarters of a Privy Council document on the activities of the operation unity centre secret?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, under the Access to Information Act, the government makes public what has to be made public. Some of the government's activities are not made public. The Privy Council operates daily in connection with the referendum and the national problem facing the country at the moment.

As you can imagine, it provides the Canadian government with very effective information and advice on keeping the country together.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I am asking the Prime Minister what is so secret about the activities of the operation unity centre—the information that appears in the document in question—that it is being turned into a real state secret? What is the government trying to hide from Quebecers? This is the question.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, ministerial activities and communications in cabinet are privileged. We try to release as much as possible to the press and the public, but some matters of discussion in a government remain privileged between members of the administration. There is nothing cynical in this, particularly because it is an open campaign.

We are very open, and the burden of proof lies with the opposition to say why Quebecers should separate from Canada. All we have to say is that we who are defending Canada are defending more than 125 years of history considered by the world to be a great history of political evolution from a former colony to one of the world's model countries.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the question is a very simple one: why is the government hiding three quarters of a document on the hottest item at the moment, the Quebec referendum? Since the Prime Minister says the campaign is an open one, I am going to give him the opportunity to show how open it is, since the Minister of Intergovernmental Affairs said in February that most of the funds injected into operation unity would go to pay for studies on eliminating overlap.

How then can the Prime Minister justify the fact that the Privy Council has not made public these studies, which were conducted and paid for with public funds?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, on May 21, I wrote the chairman of the standing committee of the House of Commons providing him with a complete list of all those working in the unity group, identifying their duties and indicating the amount of the budget.

I also told him then that, so long as the date of the referendum was not known, we could quite likely spend more than the $2.5 million in the blue book.

Since then, the Parti Quebecois has spent more than $22 million. This figure does not appear in the expenditures of the Quebec government as referendum expenditures.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I will simply repeat the question put by the Leader of the Opposition.

The minister accused another government of keeping studies under wraps, although these studies are published regularly. The problem, and that is the gist of our question, is this. He told us that most operation unity funds would be used for studies of the extremely costly duplication that exists within the Canadian federal system.

• (1420)

Our question is this: If he is so open, what about these studies which absorb most of the funds of this organization? Tell us about them, Mr. Minister.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I indicated at the time that members of the Unity Group had been recruited to prepare analyses of the government's situation, and obviously some of these can be released to the

public but some are clearly intended for those who make the decisions and are, by their very nature, confidential.

But what is far more important is the difference with studies that were kept under wraps, that were ordered from a separate organization, and the fact that the PQ government, at the behest by the Minister of Restructuration, refused to release a study of Mr. Mathews unless Mr. Mathews deleted certain paragraphs. That is controlling information, and we do not do that.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, perhaps the Minister of Intergovernmental Affairs would be willing to tell us his criteria for keeping certain studies confidential and releasing others.

I would appreciate if he would tell us and then explain how he can decide to keep all these studies under wraps and then comment on the actions of another government that really does not need any lessons from him?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I think it is clear there is a difference between strategic analyses, and the Bloc Quebecois and the Parti Quebecois have these as well, which are clearly intended for decision–makers, and studies prepared for publication by scientific institutes and published with the institute's stamp of approval.

What the Parti Quebecois did is unacceptable, and everybody knows what happened. They prevented the release of studies that contained conclusions they did not agree with.

* * *

[*English*]

QUEBEC REFERENDUM

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, there is not a federalist in the House who does not want to defeat the Bloc and its separatist allies in the referendum and bury this secession issue six feet deep.

If this is to happen it is going to require some fresher thinking and some bolder tactics than have been practised in the past by the traditional guardians of national unity.

My question is for the Prime Minister. To what extent is he consulting and involving federalists outside Quebec in improving the federal government's response to the referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, from time to time I am in communication with some premiers and other people who call me to discuss the referendum and make suggestions. Anybody who feels he or she can make a contribution is invited to call me or members of my cabinet to give good advice.

On many occasions I have been called by officials of other governments and people in the private sector to ask for my views on how we can make sure the country remains together. I welcome the suggestions and the commitment of so many people inside and outside Quebec who just want to work hard to make sure the country remains united so we can move on to the real agenda: the creation of jobs, good administration and giving a real future to the young people of the nation.

• (1425)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I am sure the Prime Minister is consulting, but I wonder whether he is hearing and absorbing the advice he is getting.

For example, the vast majority of Reform MPs are from the west. What the west wants on this issue—and this has been discussed for some 10 years—is not only national unity but resolution of the issue, clarity in the federalist position, toughness in calling the separatists' bluff and a better and more decentralized federalism as an alternative to the status quo.

What is the Prime Minister doing to bring these elements into the federal government approach: the resolution, the clarity, the toughness and the better federalism that western Canadians and many other Canadians want?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the people of western Canada, like everyone else in Canada, want a good government in Ottawa that is going its job properly.

Some hon. members: Hear, hear.

Mr. Chrétien (Saint–Maurice): They know quite well it is very seldom that I am applauded in this House by the Bloc Quebecois. It is not the same thing in your case.

My view is that we are working very hard to make sure that some of the aspirations of everybody are attended to. For example, the minister of federal–provincial relations is talking about the work he is doing not only with the province of Quebec but with all the other governments in Canada on how we can end duplication. It has to be discussed with all the provinces. Some provinces are willing to see us moving out of some fields; other provinces do not want us to move out of those fields because they do not have the means to operate in certain fields.

The province of Alberta is richer than the others. As the federal government we have to make sure that some of the poorer parts of Canada receive the same quality of services as the people happily can afford in Alberta.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, all we have heard so far in response to these questions has been the traditional approach to managing national unity that has been carried on by often the same people for the last 32 years.

Where has that approach led? It has led to two failed constitutional agreements. It has led to two secession referendums in 15 years. It has led to fostering the development of two full blown separatist parties in the province of Quebec. The traditional approach to national unity has not worked.

That is why we need fresh thinking. The west's contribution is to bring resolution, clarity, toughness and a better vision.

Instead of ignoring these elements or worse yet labelling them as somehow disloyal to Canada, why does the Prime Minister not incorporate them into the federal government's strategy on the referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the hon. member is ill advised to raise the failure of the Charlottetown accord which he opposed because the Government of Alberta supported it, as did the Government of British Columbia and so on. Don't blame it on us; blame it on you. You are one of those who campaigned against us.

At this moment I think the burden of proof is on those who want to separate Quebec from Canada. The preoccupation of the leader of the third party should be to tell them because when it comes from me they do not like it very much. Perhaps because you have managed to get applause from them once in a while you could at this moment tell them that what they are trying to sell to Quebecers, that it is going to be easy for them after separation to keep their citizenship, the dollar, the economic union and political union, why in your judgment that is a dream they cannot realize.

The Speaker: I know at times hon. members want to speak to each other directly, but I would ask all hon. members to please direct their comments to the Chair.

* * *

• (1430)

[*Translation*]

CRIMINAL CODE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Justice.

In the wake of the car bomb that killed an innocent 11–year old boy last August, there has been an alarming increase in the number of bombings, with two more people killed in Saint–Luc, in the Montérégie region, last night.

Can the Minister of Justice tell us if his government still thinks that the current provisions of the Criminal Code are sufficient to allow police forces to wage an effective fight against this kind of crime?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we are concerned about the tragedy of little Daniel Desrochers's death a few weeks ago in Montreal. The problem of gang wars and organized crime is a very difficult one and a major challenge for Montreal police forces.

This past summer, I had a meeting with the solicitor general, Mr. Sangollo, Denis Asselin of the CUM, and the Commissioner of the RCMP. We discussed in detail all the various strategies we could use to deal with this problem. We decided to work together and set up a joint committee that will go through the Criminal Code to look for answers.

This is a very serious, very important matter to us. We are now working in a very constructive and positive fashion and I am very confident that we will find a solution to the problem.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I would remind the minister that bombs are exploding. There have been thirty of them since the beginning of the year. Casualties are mounting. In Quebec, 25 people have died. Police forces have been calling for amendments to the Criminal Code for a long time, and what is the minister telling us? That he is studying the matter. The time for studying is over, the time has come for action.

When will the minister table in this House amendments to the Criminal Code that would meet police demands?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we are quite aware that there is a problem at this time, just as there was last week and as there will be next week. It is not only in Montreal but also in Toronto and Vancouver. It is the problem of organized crime.

There is no simple solution. When I met with the hon. member a few months ago, I asked him: "What do you suggest?" He had a suggestion, which we discussed, but it is not a real solution.

[*English*]

This is not an easy question of just passing another law.

[*Translation*]

In fact, the Quebec Minister of Public Security, Mr. Ménard, clearly said: "We do not need new laws. We need the police forces to work on collecting evidence against organized crime". So let us work together to find a solution to this problem, this tragic matter. As I said, I am confident that we will find a solution in the coming weeks.

* * *

[*English*]

QUEBEC REFERENDUM

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I have a question for the unity minister.

Reformers had agreed with and supported the government when it said that a yes vote was a one–way ticket to separation

and that it would be respected. Without explanation that strategy was changed on us and we have been wondering why.

We have obtained a letter written by the Liberal member for Notre–Dame–de–Grâce. It indicates categorically that the federal government will not honour a yes vote. It states: "The results of the referendum will not be binding and have no legal consequences. The federal government has no obligation to respond".

Does this represent the real position of the federal government?

The Speaker: I am having some difficulty with regard to the question because the preamble is making certain suppositions that may or may not be accurate.

• (1435)

I think the question in itself is hypothetical but I will permit the minister, if he so wishes, to address it. If not, I will go to the next question.

On the next question, the hon. member for Calgary West.

[*Translation*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I have a supplementary question for the minister.

We still demand that the government show transparency. Did the minister explain to Quebecers that, if the yes side wins, and especially if it does by a narrow margin, the Government of Quebec, the PQ government, will be negotiating separation from a position where Quebecers will be divided, weakened and isolated?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, we have always said and we still maintain that the choice the people of Quebec are about to make is a major decision, a serious decision regarding their future. It is not like choosing a political party in an election. This is not the kind of decision about which Quebecers will be able to change their minds four or five years from now and say: "We made a mistake; we want to be a part of Canada again".

This choice is very important, not only for us today but also for generations to come. That is why we care so much about the process currently under way in Quebec. We are going to put all our energies into providing accurate information to the people of Quebec.

* * *

HEALTH CARE

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health. At the federal–provincial conference of health ministers, provincial ministers vigorously denounced the federal government's decision to cut transfers to the provinces for social programs, including health care, by $7 billion over two years. These cuts can only have a disastrous effect on health care provided to the public.

How can the minister claim to be the champion of a universal and accessible health care system, when at the same time her government is cutting $7 billion in transfers to the provinces, thereby forcing them to cut back on the quantity and quality of services?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, there has not been one health economist, there has not been anyone, who has said that there was not enough money in the system.

We must live within our fiscal means, our financial means. Seven billion dollars are projected to be cut over the next few years. Take, for instance, next year. When we consider the provinces altogether spend $100 billion in health and social programs, the cut for next year will be under 3 per cent. While it will be a difficult challenge we believe it is manageable.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, would the minister at least admit that a $7 billion cut in transfer payments will mean nothing short of scaled–down health care for the public?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, our health care system is continually changing. While we must keep up with technological changes, we will insist that the Canada Health Act ensure that Canadians receive adequate care based on what they need and not how much money they have in their pockets.

• (1440)

[*English*]

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I had occasion to talk to some of the provincial health ministers who had been at the conference in Victoria. They told me frankly that this health minister was mangling medicare.

The provincial ministers are here. Our federal minister is over there. Her answer to them was no to innovation, no to choice, no to new thinking.

We call on the federal Minister of Health to get out of the sixties and old–fashioned thinking and join us in the nineties with new thinking for health care. Will she do that?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I had occasion to spend considerable time with the provincial ministers of health. I do not know to whom the hon. member was speaking but I can say nonsense.

We have done a lot of work together. We will continue to do a lot of work together. We co–operate and we have moved forward considerably. Obviously we do not all agree. We have said that

we would be flexible. I have been flexible but flexibility does not mean tearing up the Canada Health Act.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, it is sad. It is almost like talking to a two–by–four sometimes.

Some hon. members: Oh, oh.

The Speaker: Although we encourage colourful and diverse language sometimes we transcend the boundaries. I would ask hon. members to be careful in their choice of words.

Mr. Hill (Macleod): Mr. Speaker, the provinces are asking for very specific changes. What do they say no to? They say no to uncertain funding. They say no to long waiting lines. They say no to "we care so much about medicare".

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

The Speaker: We get carried away in the heat of battle. The hon. member probably inadvertently pushed the Chair to what it can accept in the House as acceptable ways of speaking.

• (1445)

I wonder if I might ask the hon. member to withdraw those last few words.

Mr. Grant Hill (Macleod, Ref.): I would be glad to withdraw any comments that could be misconstrued.

The Speaker: I accept the withdrawal and I ask the hon. member to put his question now.

Mr. Hill (Macleod): Mr. Speaker, will the minister join us in unshackling our health care system, medicare plus?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I have one thing I would like to say to the hon. member. I probably have others.

One issue that has been spoken to is that I should respond to provincial ministers of health. I do at all times. I would like to remind the hon. member as well as anyone out there that I was not elected by ministers of health. The government was elected by Canadians who value our medicare system, a system that works for Canadians.

It is my responsibility as Minister of Health for all Canadians to ensure that health care is available to all Canadians, based on need, that we do not have a system where taxpayers subsidize queue jumping by the rich, and that we offer the very best care in the future, as we have in the past.

Some hon. members: Hear, hear.

[*Translation*]

TOBACCO PRODUCTS

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my question is also for the Minister of Health.

The Supreme Court finally rendered its decision on the Tobacco Products Control Act. The court concluded that the total ban on the advertising of tobacco products was unconstitutional, and it also questioned the legality of forcing companies to display a health warning on cigarette packages.

Since tobacco companies have decided, for the time being, to comply with the Tobacco Products Control Act, when does the minister intend to meet with these manufacturers, to ensure that we do not go back to the situation that existed before?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the fact is that yesterday I informed manufacturers that I was going to meet with them to discuss the decision. That was before the decision was even known.

However, it goes without saying that we need some time to look at this decision, which is 116 pages long and which took 7 years and 21 days to come. Consequently, you will understand that we need a bit of time to look at that judgment and decide on what to do next.

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, following the failure of the previous government's strategy of excessive taxes on cigarettes, and given the court's questioning of the obligation to display a health warning, what is left of the tobacco strategy?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we are in the process of studying the decision. We will use the guidance of the decision to set the course and we will use those powers that are appropriate to their fullest extent.

• (1450)

There continue to be 40,000 deaths that are directly attributed to tobacco use, so it is a very serious matter for all Canadians. We will do our utmost to continue in this fight against tobacco and the use of it.

* * *

AGRICULTURE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, farmers depend on international sales, as does every other sector of the Canadian economy. My question is for the agriculture minister.

Following ongoing lengthy negotiations with the American government, can he confirm that U.S. tariff rate quotas on wheat

imports from Canada have been removed? Further, will the minister indicate what stance Canada will take if the Americans might attempt to reimpose a tariff rate quota?

The Speaker: Once again we are getting into the realm of hypothetical questions. The question as worded is hypothetical. If the hon. minister wishes to respond I will permit it, but the formulation of the question is not acceptable.

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I am happy to respond to the question that has been raised.

On the first part, I am pleased to confirm that the U.S. tariff rate quota against Canadian wheat expired on time at midnight on Monday, September 11, 1995.

On the point about future U.S. trade action, Canada fully expects the United States to honour all its international trading obligations. Should that prove not to be the case, we have the right to respond and we will do so firmly in defence of Canadian farmers if necessary.

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HEALTH

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, my question is for the Minister of Health.

The provincial ministers of health are frustrated after yesterday's meeting with the federal minister. She insists that funding will be cut, but she also insists militantly that none of the provincial ministers' policies to save money are acceptable. This policy stance is not only arrogant; it verges on the irrational.

What precisely are provincial health ministers allowed to change in the allegedly perfect present system?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, many of the provincial ministers of health have done some very good work. I have worked very closely with them and I encourage them to continue with the good work.

There is one place where I and this government draw the line: We will not allow a U.S. style two-tier medicare system because it does not work. It is not good for Canadians. It is not good for the economy. That is what we are talking about here.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, of course the health minister's policy stance is not entirely irrational. It is rational if she expects provinces to raise taxes to pay for the financing deficit of the federally mandated program.

What does the minister say to those who see her policies as an unwarranted violation of provincial rights that feeds the demand for independence in Quebec?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, this government spends considerable sums on health and social programs. Under the spending powers this government has, it can set certain principles. That is what the Canada Health Act does.

• (1455)

Oftentimes in this debate we are not aware of just how much money this government does spend on social programs and health. It is time to remind people.

I think it is important also to put this all in context. I used an example yesterday. For instance, the cuts in transfers next year for the British Columbia government will be minus 1.7 per cent of their total revenues. The revenues are projected to increase by 5 per cent. We still contend that this is manageable.

* * *

[*Translation*]

OLD AGE SECURITY

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Minister of Finance. In his last budget, the Minister of Finance announced that he would need to proceed this autumn with the review of the Canada pension plan. There is now some urgency for the government to submit a reform plan for old age pensions. That document is close to a year overdue.

What is keeping the Finance Minister from making public his government's intentions with respect to old age pensions? What does the federal government have up its sleeve for older Canadians?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, in both departments, Human Resources Development and Finance, we are still involved in examining the document. We will release it as soon as it is ready. The member across the way has my assurance that the Liberals were the party that created our social programs and the Liberals will be the party to preserve them.

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, are we to understand from the attitude of the Minister of Finance that he is doing the same with seniors as he is doing with Canadians as a whole, that is putting off delivering the bad news until after the referendum?

An hon. member: That is exactly it.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we were very clear in the last budget on the reforms that will be necessary. It is our intention to consult Canadians on these reforms.

If the hon. member wishes to talk about concealing things, since you bring up the matter, where are the Fluet-Lefebvre studies? Where are the Mathews studies? Where are all the studies Mr. Le Hir commissioned? Since the hon. member

wishes to talk about concealing things, tell us what the true consequences of the referendum will be.

[*English*]

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CAPITAL PUNISHMENT

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, in Atlantic Canada I was told that 70 per cent of Atlantic Canadians support a return to capital punishment and a June survey stated that 69 per cent of all Canadians agree.

The justice minister has continually stated that he consults and follows the wishes of Canadians. The justice minister claimed high moral ground on firearms control because he said police supported this legislation.

Since Atlantic Canadians, police officers and all Canadians are demanding a binding referendum on capital punishment, will the justice minister be consistent in his operations and offer a binding referendum to citizens?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I wonder as a matter of logic if I can deduce from the hon. member's question that he is now prepared to support the gun control proposals put forward by this government. Would he do that?

The fundamental objective of this government as we said in the election campaign of 1993 is safe homes and safe streets. Everything we have done in the justice agenda and through the solicitor general since we have been in this Parliament has been to achieve safer communities in this country.

If the hon. member and the members of that party are truly concerned about the safety of Canadians and their communities, he will work with us on the proposals we are bringing forward to deal with high risk offenders and to strengthen the criminal justice system.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I would be more than pleased to vote on the gun legislation; it would be no. I would be pleased to vote on the capital punishment referendum; it would be yes, if he wants to know how I feel. Seventy–eight convicted murderers on conditional release murdered again.

• (1500)

This minister in Bill C–41 for hate crimes believes that getting tough on crime is the answer.

Since the minister agrees harsher sentences prevent crime, will he not prevent future murders by enacting the return of capital punishment for first degree murder?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, on this side of the House we believe that the way to work toward increased public safety is through proposals that have substance and that rely on real analysis and get results.

We do not believe that the answer is simply to rely on bluff and bluster or meanspirited personal attacks or to exploit tragedies.

We are interested in real public safety. I invite the hon. member to work with us on the proposals the solicitor general and I are bringing forward to deal with high risk offenders and strengthen the criminal justice system instead of going to what looks like the simple answers to exploit the public mood.

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CLIMATE CHANGE

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, yesterday an editorial in the *Globe* suggested that there are benefits to be reaped from recent trends in climate change.

This conclusion is contradicted in a draft report by the United Nations panel on climate change and a recent Environment Canada report citing increasing summer temperatures.

My question is for the Minister of the Environment. Does the minister agree with this editorial? If not, what does she and the government plan to counter the human causes of climate change?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, last summer we saw very directly the potential devastating cost of climate change in the forest fires that burned from east to west an area of commercial forests equal to the size of the province of New Brunswick. We had the second worst forest fire period on record.

The commercial loss in forestry alone last year was $3 billion. The direct cost of the fires and storms caused by global warming was $500 million. Contrary to the claims of the *Globe and Mail*, a longer growing season for farmers will lead to less productivity because the level of moisture is going to remain the same, putting us in a position of facing further droughts.

* * *

CANADIAN WHEAT BOARD

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the Minister of Agriculture and Agri–Food.

The northern hemisphere's grain harvest is near completion, indicating little change in global supplies that should dampen the current strong rising price trend. Because of the rising prices, can the minister tell the House why the government persists in maintaining wheat board initial prices for wheat and barley that are about one dollar a bushel below the open market domestic price? Is he trying to undermine the wheat board system?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I am sure the hon. member will recognize his last sentence as a gratuitous remark that is rather out of place.

Like the hon. member, I too hope that initial payment levels in Canada can be increased progressively throughout the current crop year and from my point of view the sooner the better.

There are two factors that need to be borne in mind. First, even though the North American harvest may be virtually complete, the western Canadian harvest is now only about 60 per cent complete. There are still questions to be answered about final quantity and quality. It would obviously be premature on the basis of the amount that is completed so far to move at this point with respect to initial payments.

However, I fully expect the Canadian Wheat Board to make its most favourable recommendations to me at the earliest possible date.

The other factor the hon. gentleman should bear in mind is a warning against any hasty increase in initial payments that could provide the Americans with additional grist for their mill in their ongoing unwarranted attacks against the Canadian Wheat Board.

* * *

PRESENCE IN GALLERY

The Speaker: I would like to draw members' attention to the presence in the gallery of the Hon. Nicholas Soames. Besides being the minister of state for the armed forces of Great Britain, perhaps my colleague, whom I met with earlier today, will permit me to say also that in this very Chamber his grandfather, the Right Honourable Sir Winston Churchill, addressed a joint session of this House in 1941.

• (1505)

I present to you the Hon. Nicholas Soames.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Hon. Warren Allmand (Notre-Dame-de-Grâce, Lib.): Mr. Speaker, during question period the member for Calgary West referred to a letter which I had sent to one of my constituents who had asked me questions about the referendum. As a matter of fact, that letter was one of several letters exchanged with this same constituent.

Since the hon. member for Calgary West only referred to part of a point I was making to the constituent, I would like the entire point to be on the record and I quote from the letter:

> I might say in closing that the results of the referendum will not be binding and have no legal consequences. It is simply a plebiscite in which the people of Quebec will be expressing their preferences. As such, even with the best result, the PQ government could only use it to negotiate a constitutional amendment and even then the federal government has no obligation to respond.

I would ask the hon. member for Calgary West that since the letter he sent over to me is incomplete, would he table the complete letter in the House so that all members can read it.

The Speaker: We have a request by the hon. member. If there is unanimous consent for the tabling of this letter then the Chair would be prepared to receive it.

It there unanimous consent?

Some hon. members: Agreed.

QUESTION PERIOD

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, in my point of order I am referring to section 409(3) of Beachesne's with regard to the question that was raised by my hon. colleague from Calgary West. The question was whether it was hypothetical or not.

I would like to make a request to the Chair that the question be reviewed. I listened to the question and I believe that according to citation 409.3 questions can be asked for information with regard to policy. I believe the question would qualify under that. I would appreciate the Speaker's review of the matter.

The Speaker: I will take the Reform Party House leader's request to heart.

It seemed to me at the time the preamble that set up the question set it up to be a hypothetical question. I will look at it and if I find there is reason to come back to the House I will.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, as usual, I will ask my hon. colleague, the government House leader, to tell us what is on the agenda for the next little while.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I am pleased to provide the weekly business statement.

Commencing today and continuing through next Tuesday we will be calling business in the following order: Bill C-102, amending the customs tariff; Bill C-90 regarding the Excise Tax Act; then Bill C-94 on fuel additives. Following that Bill C-103 respecting magazines, Bill C-98 regarding oceans, Bill C-93 regarding cultural property, Bill C-62 with respect to adminis-

trative agreements for regulatory purposes and Bill C–84 regarding the regulatory process.

Next Wednesday we propose to call third reading of Bill C–45 which tightens up the corrections and parole process.

When this is completed I would like to proceed with second reading of Bill C–78, the witness protection legislation.

This is our weekly business statement.

• (1510)

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, one of the things which occurred in the spring session was the heavy agenda. Many of the important legislative items came in, in the latter part of the session, in the last three to four weeks. We were then faced with time allocation. We forced through a number of readings of bills under, I would say duress, as members of the House of Commons.

I would ask the government House leader if there are pieces of legislation which are planned. Will those pieces of legislation be made available to us, or at least will the House be advised that they are coming within the next 10–day period?

Mr. Gray: Mr. Speaker, obviously there is other legislation which we intend to debate in addition to the legislation which has already been mentioned on the Order Paper. I will see what further information I can provide my hon. friend. I cannot say that everything we intend to introduce before the Christmas adjournment can be made available in the next 10–day period. There are things which we are working on within the government. Some measures have not had the drafting process completed.

I would think there are measures which will be introduced before the Christmas adjournment regarding which we cannot inform our hon. friend within the next 10–day period. However, I will endeavour to be helpful in responding to his question.

* * *

POINTS OF ORDER

ORAL QUESTION PERIOD—MINISTERIAL RESPONSIBILITIES—SPEAKER'S RULING

The Speaker: Yesterday the hon. parliamentary secretary to the government House leader pursued the point of order raised by the hon. member for Roberval on Tuesday, September 19, 1995 relating to a question of the hon. member for Vaudreuil.

[*Translation*]

At that time, the hon. member for Roberval asked me to review the question the hon. member for Vaudreuil had put to the President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs. The hon. member for Roberval was wondering about the nature of this question and how it related to the responsibilities of the federal government.

Yesterday, the hon. parliamentary secretary to the government House leader expressed the opinion that the question was in order, as the minister is in fact responsible for intergovernmental issues.

I did review *Hansard* and I have come to the conclusion that, as formulated, the question asked by the hon. member for Vaudreuil does not strictly speaking meet the guidelines on oral questions. It was seeking an opinion from the minister instead of information on a matter coming within his administrative capacity.

The Chair should at least have cut in and asked that the question be restated in terms that related more closely to the government's administrative responsibilities. As a matter of fact, yesterday, the hon. member for Brome—Missisquoi asked a similar question in a way that meets the requirements of our rules.

[*English*]

All hon. members will no doubt sympathize with the Chair that in the cut and thrust of question period sometimes certain questions escape your Speaker. I take this opportunity to ask all hon. members to co–operate with the Chair and formulate the questions so that they are strictly relevant to the administrative responsibilities of the government, that they are not based on hypotheses, and respect the dignity of this Chamber in the choice of vocabulary.

GOVERNMENT ORDERS

[*English*]

CUSTOMS ACT

Hon. Ralph E. Goodale (for the Minister of Finance, Lib.) moved that Bill C–102, an act to amend the Customs Act and the customs tariff and to make related and consequential amendments to other acts, be read the second time and referred to a committee.

• (1515)

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I appreciate the opportunity to begin debate on second reading of Bill C–102, an act to amend the Customs Act and customs tariff.

I will begin by going through the major points the bill touches on. It provides for the enhancement to Canada's duty deferral program, including duty drawback, inward processing and bonded warehousing to improve the competitive position of Canadian industry.

It provides for tariff reductions on a wide range of manufacturing inputs and certain other goods requested by Canadian manufacturers to improve competitiveness.

It provides for increases in travellers' exemptions on what is called basket tariff items to facilitate the processing of travellers.

It provides for amendments to the Access to Information Act to ensure confidential business information provided to Revenue Canada and finance is protected from disclosure to third parties.

The conversion of the Canadian retailers duty remission order 1993 is changed for statutory provisions to improve the transparency of these tariff relief provisions.

Certain regulatory tariff reductions will be introduced directly into the customs tariff to improve the transparency of these tariff relief provisions.

It provides for seasonal and non–seasonal tariff provisions for dry shallots to ensure they are duty free when unavailable from Canadian growers.

There are amendments to allow for possible future improvements to preferential tariff treatments for the world's poorest developing countries to improve their export opportunities.

It provides for the withdrawal of the duty free British preferential tariff rate on certain rubber footwear to protect Canadian production and jobs.

It provides for a clarification of various provisions in current customs and tariff legislation.

It provides a number of other technical and housekeeping changes to the customs tariff.

A number of these provisions, including the tariff reductions, increases in travellers' exemption and withdrawal of the BPT, the British preferential tariff on rubber footwear, came into effect on the tabling of the notice of ways and means motion by the Minister of Finance on June 13, 1995. The remaining provisions, including the duty deferral amendments, are to come into force by order in council after royal assent.

This bill contributes largely to the good government theme that we have provided to Canadians since the election two years ago. A number of the measures provided for in Bill C–102 build on the government's review of Canada's tariff regime announced in the 1994 budget and are designed to ensure Canada remains a favourable location for producing goods and for investment and also that Canadian businesses, including small businesses, are placed in a better position to profit from Canada's free trade agreements.

Certain amendments, for example the enhancements to duty deferral programs and tariff reductions on manufacturing inputs, are designed to lower business input costs and maintain and enhance the competitiveness of Canadian businesses in Canadian and world markets.

Bill C–102 also provides for a number of technical changes to simplify, clarify and modernize the customs tariff and its administration and make it easier and less costly for business to access tariff relief programs. The amendments to facilitate the processing of travellers at the border will allow Revenue Canada, through its customs section, to focus on other important border issues such as the smuggling and processing of growing commercial imports.

Several of the amendments in Bill C–102 result from broad consultations with the private sector and are at its request to respond to competitiveness problems faced by Canadian businesses.

The bill seeks to implement three major tariff amendments that will deliver significant long term benefits to Canadian businesses and individuals.

• (1520)

I will outline these. The first two will improve the competitive position of Canadian industry by lowering input costs, thereby creating employment opportunities for Canadians and lowering prices for consumers. The two amendments to which I am referring are the enhancement to Canada's duty deferral programs and the reduction of tariffs on a wide range of manufacturing imports.

A third amendment, increasing travellers' exemptions, will facilitate the processing of travellers. In addition to benefiting consumers this will help our customs officers focus on real priorities by processing our growing commercial imports and combating the crime of smuggling. The legislation also contains a number of technical changes that will help modernize the customs tariff and its administration.

We believe the proposed changes will affect billions of dollars worth of trade. Their impact then will be both beneficial and significant in scope.

Because of the significance of these changes the government has consulted on them, responding directly to problems Canadians, whether in their businesses or as individuals, have identified. We can say therefore with confidence the measures I am about to describe will be welcomed by the great majority of Canadians affected by them. I urge my hon. colleagues to bear this in mind when they are asked to give their support to the bill.

Let me outline each of the three major amendments. I will first talk about the enhancements to Canada's duty deferral programs. I know duty deferral is not the stuff of everyday conversation and so I will take a moment to provide some background.

Duty deferral programs defer or relieve certain customs duties and taxes on imported goods which are re–exported. Canada presently has three duty deferral programs, duty drawback, inward processing and bonded warehousing. Over the years Canadian business has asked for improvements to these programs to make them more competitive with similar programs of our major trading partners.

The changes contained in the bill before us respond to that need. They will enhance, streamline and consolidate these three programs. They will provide as much up front relief as possible to ease cash flow pressures and to reduce input costs on Canada's exports.

The proposed changes will also make the program more easily accessible for small and medium size businesses by reducing the administrative restrictions currently in place. Other changes will enable regions to market Canada's duty deferral programs more effectively in competition with free trade zones around the world. This will help attract and keep investment in Canada. The changes I have described enjoy broad industry and regional support.

Mr. Speaker, for other members of Parliament in your area of St. Catharines there will be a great deal of improvements through the changes in these programs. The government is very proud of its ability to help out areas such as the Niagara Peninsula in dealing with the American market. In Winnipeg there are many proposals being brought forward as a result of the changes we are proposing.

It is a key priority of the government to ensure Canadian business has every opportunity to compete fairly and effectively and profit fully from Canada's expanding access to international markets.

Related to the enhancement of duty deferral is a change to the Access to Information Act. This change will protect the confidentiality of taxpayer information provided by the importing community under the Customs Act, customs tariff and the Special Import Measures Act.

Let me turn now to the second major amendment to Bill C–102, the reduction in tariffs on a wide range of manufacturing inputs. This amendment is also directed toward the relief of duties on Canadian manufacturing inputs so that our producers compete more effectively. This amendment will enhance the competitiveness of Canadian producers both internationally and within Canada.

In essence we will be removing a competitive disadvantage that currently burdens Canadian manufacturers vis–à–vis their American counterparts. We will do this by reducing tariffs on some 1,500 imported manufacturing inputs dutiable at rates higher than those of the United States. I remind my hon. colleagues this measure was announced in the 1994 budget. It is being implemented now following extensive consultations. The measure enjoys strong industry support.

• (1525)

To appreciate the significance of this measure hon. members should be aware that one third of Canada's imports are manufacturing imports. Since American tariff rates are on average about 3.2 percentage points below ours, 5.4 per cent versus 8.5 per cent, U.S. producers enjoy a significant advantage.

Right now this discrepancy negatively affects Canadian manufacturers, principally in the domestic markets. That is because exporters are entitled to receive reimbursement of their input duties through what is commonly known as duty drawback or inward processing.

However, as of January 1, 1996 under the NAFTA drawback will be subject to certain restrictions. Therefore to ensure Canadian exporters enjoy the full benefit of Canada's free trade agreement we must bring our most favoured nation status tariffs on input in line with those of the United States. The 1,500 inputs covered by this amendment account for over $2.5 billion in trade.

The third amendment is the increase of duty exemptions for Canadians travelling abroad. Traveller exemptions are adjusted periodically. However, our exemptions have not been increased since 1983. As a result they are currently out of line with the exemptions provided for by our major trading partners. Our current limits are $20 after a 24–hour absence, $100 after 48 hours and $300 after seven days, but only once a year.

U.S. limits in a striking contrast are $400 once a month with a general exemption of $200. Residents of the European Union can bring in about $300 Canadian in dutiable goods after any absence.

The status quo is hard on consumers and customs officials alike. It also runs counter to Canada's and the United States' commitment under the accord of our shared border to permit travellers and goods to move easily across the Canada–U.S. border. For these reasons the bill will raise the levels of exemptions to as follows: to $50 from $20 after a 24–hour absence; to $200 from $100 after 48 hours and to $500 from $300 after seven days, with the once a year limit being dropped. Naturally Canadian travellers will welcome this change. It also benefits customs administration because it will ease border congestion.

As I said earlier, this will enable Canadian customs authorities to concentrate more effectively on real priorities like cracking down on smugglers and processing commercial imports. These have increased by 43 per cent since 1992.

I am aware some of my hon. colleagues may be concerned about the possible impact on retailers in border areas. I too care

about these retailers but I am convinced this legislation will not have a negative impact on their operations.

In short, this should be regarded as a simple updating measure with minimal economic or revenue loss and a potentially positive impact on trade, business and tourism. It is already operating without disruption.

In addition to the three principal amendments, the bill contains a number of other changes of a largely technical or housekeeping nature. Most will serve to clarify the intent of existing custom and tariff provisions.

Also included in the legislation is a measure that will, like the increase in traveller exemptions, work to streamline Canada's customs clearance procedures under what is known as a basket tariff item basis.

Under this travellers measure the government is proposing to replace the thousands of existing categories of goods with as few as 12 categories. This will speed up collection of duties from travellers at the border by more than 50 per cent.

The bill also provides for tariff reductions on certain finished goods. These reductions have been made at the request of Canadian manufacturers on grounds of competitiveness.

There is only one tariff rate increase in the package. The British preferential tariff is being withdrawn from certain rubber footwear, thereby restoring the 20 per cent most favoured nation tariff rate.

• (1530)

This change is consistent with the permanent removal last year of a general preferential tariff on rubber footwear from developing countries. It will prevent countries from circumventing the general preferential tariff withdrawal action and thereby jeopardizing production and jobs in the Canadian shoe industry.

Former British preferential trade tariff exports will still have access to the Canadian market. They will simply have to compete on the same basis as other foreign suppliers.

At the same time the bill allows for possible future improvements to preferential tariff treatment for the world's poorest developing nations. I am confident that Canadians support the goal of enabling these countries to improve their export opportunities. Such changes could also result in lower import costs that will benefit Canadian consumers.

Some of my hon. colleagues may ask about the revenue implications of all these changes as I am outlining them today. As I have already said, the decision to increase travellers' exemptions has minimal implications for government revenues. As for the revenue impact and other measures, we are confident that any cost will be more than outweighed by the long term economic benefits of the proposals: improved competitiveness, increased exports and enhanced employment prospects for Canadians.

In short, the legislation is about providing a meaningful, long term boost to the Canadian economy. It will help ensure that Canada maximizes its benefit under the free trade agreement we have entered. It enjoys the support of business and consumers alike.

Last year alone, Canada's merchandise trade surplus with the U.S. was over $28 million, our largest ever. The benefits to Canadians of such a healthy export sector are beyond doubt, and the government is committed to ensuring that they continue and expand. I urge all my hon. colleagues to join me in sustaining that commitment by supporting the legislation.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, Bill C–102 is rather complex but can be summarized easily by explaining that it seeks to lower custom duties, in compliance with NAFTA's most–favoured–nation tariff.

This bill includes some 100 pages of tariff items which I will not list, for obvious reasons. We will support this legislation because it is consistent with the opening up of our borders, something which the Bloc Quebecois has always promoted and which reflects the situation that has always prevailed in Quebec, particularly since 1988, when free trade was a major issue in the federal elections. At the time, Quebecers massively supported a party which was promoting free trade. The 1988 election was essentially a vote on free trade and the Conservative party won.

Quebecers showed their strong desire to be part of the major economic blocs. They felt confident that they could do well in the context of a global market.

Bill C–102, an act to amend the Customs Act and the Customs Tariff and to make related and consequential amendments to other acts, is essentially in line with the recent North American Free Trade Agreement.

Some provisions of this bill seek to amend amounts and increase exemptions, depending on the length of the stay abroad, when goods are brought back to Canada.

These amounts vary depending on certain factors, including the length of stay. In fact, these provisions have been in effect for several months, since a ways and means notice was passed before the end of the last session.

This is all part of promoting trade with our economic partners in the United States and now Mexico, and increasingly, there are plans to extend this free trade zone to other countries, Chile, for instance, and then we would have a vast economic zone covering North America and gradually extending towards South America. This is now the policy of a government that, since it came to power, has been won over by the arguments of certain ministers,

including the Minister of International Trade who was pro free trade, although his leader was far less enthusiastic, at least during the last election campaign.

• (1535)

But once they came to power, common sense seems to have prevailed. We now see on the government benches a party that is very pro free trade and very open to international trade, which corresponds with the interests of the Canada they represent and the interests of the Quebec we represent.

You can see what I am driving at. Of course I am going to draw a parallel with what is going to happen. I just want to say I am surprised at what people say outside the House or even in the House when they talk about the political situation in Quebec. As we know, in Quebec there will be a referendum in which Quebecers will be asked to speak out on sovereignty, and also on an offer of economic and political partnership which, to use the terms of this bill, is aimed at maintaining the free circulation of goods, persons and capital, as well as a customs union, a monetary policy, manpower mobility, and so forth. All measures we are trying to take now.

In Canada today, especially with respect to the free circulation of goods and services, capital and individuals—admittedly not as free in the case of individuals, but consider the other three—especially with the Americans and the Mexicans and soon with the Chileans, there is a whole strategy of trade development, which is more important for provinces like British Columbia or the other western provinces where they are looking at the Asian market for business opportunities.

However, behind all these rules for trading with these countries, we have to look at the figures and the nitty–gritty. Today, trade between Quebec and Ontario is very substantial. Trade in goods and services between the two is around 40 to 45 billion. I would like to say to those who are listening to us that when I see a government, the present federal government, adopting a measure such as this which is aimed at facilitating trade with the United States, I have trouble understanding why the same thing would not be done with a partner just on the other side of its border, that is Quebec, instead of saying "Between us and you trade will be restricted".

I was listening to the parliamentary secretary's interesting statement, in which he said that it would make it possible to reduce input costs. That when you reduce input costs, it makes it possible to create employment opportunities and stimulate exports. That is absolutely true.

The input referred to is the material used to produce a finished product. For example, the wood used to make a piece of furniture is an input. So, the items used as an input in production, that is where customs tariffs are reduced progressively on inputs, tending toward their eventual elimination in order to create employment. This is the same logic which gave rise to the goods and services tax. That system of taxation resulted in no tax on inputs used in manufacturing. That is what the previous government did.

The members of this government vigorously criticized this tax, which they labelled as new but which replaced an old one. It did not necessarily replace it because they are very much aware that this tax is totally in line with the principles they are defending in this act, that is to encourage our exports. Yet the GST is not perfect. There will be a chance to discuss it when taxation is discussed a little later this afternoon. We are still waiting for the amendments the government intends to propose and implement in order to make good on its election promises. It does not have much time left. I doubt it can do so but we will have an opportunity to discuss this later.

Saying that we must promote our exports and ensure that the materials used in our exports are as cheap as possible is quite consistent with the trade logic of 1995 and the next decade.

Political decisions matter little. However, if Quebecers decided to take control of their political future while maintaining economic links with Canada, why would an entrepreneur from Ontario, for instance, who buys materials from Quebec because they are cheaper there say, "In the future I will buy more expensive materials; I want to be less competitive because the Prime Minister of Canada tells me we should not do business with Quebec"?

• (1540)

Do you think this kind of logic will prevail? No way. What will prevail is the same capitalist business logic in effect today. These people will look for the cheapest materials and products available. They will continue to buy and to sell to all those willing to buy their products. No one will refuse to sell goods and services to those who want to buy them. This is not the way our economy works.

I do not know any entrepreneur in Quebec or Canada who would refuse to sell their products to anyone because of their political affiliation or the political system in which they live. Even Canadian business people invest in South Africa despite its very controversial political system. Although that country does not have the most stable political system, people still invest there because they see business opportunities in mining and gold among other sectors.

The people who will invest here know that it will be more profitable for them. It will be the same thing the day after the referendum. They invest here because they see the best market opportunities.

That is why I am quite puzzled by the Prime Minister's political stand. His Minister of Labour, who is responsible for

the referendum in Quebec, seems out of step with the bill before us, which is aimed at promoting Canada's foreign trade.

It seems to me that this government is committed to promoting trade so Canadian businesses can export as much as possible. I would be very surprised if, after October 30, the government decided to put a brake on this direction for all kinds of political reasons because its stated priority, although it is still hard to believe, is job creation. If job creation is a priority, would it be in the government's interest to act in a way that will hinder job creation? I think not.

The people of Quebec and Canada can clearly see the economic conditions we are in. In Ville–Marie, where I live, if I look across the lake as I wake up in the morning, I can see Ontario. All that separates us is a lake just a few miles long. So, on not too foggy days, we can see the other side of the lake. On week–ends, people often go across to buy goods and services in Ontario; out of habit for some, but also because a certain type of service–based economy has developed over there. The same thing goes for the other end of my riding, in the City of Témiscamingue, where 200 Ontarians come in to work every morning at a very successful pulp and paper operation we have there. These people will want to keep on working in Quebec, I am sure. They will also want Quebec customers who buy their products in their shopping centres and businesses to keep doing so. Coincidentally, Témiscamingue is also located in the riding represented by the Premier of Ontario, who just got himself elected on the promise of major tax reductions.

I am convinced that he will want to look after the interests of his constituents, protect their jobs and business opportunities for the local business community. There will be discussions, negotiations and agreements. Everybody will keep working according to the spirit of the legislation before us today and which we support. It is intended to foster foreign trade. The days of closed, self–centred economies are over. Around the world, all markets are becoming increasingly open, forming into major trading blocs, be it in Europe, here in North America, in South America or Asia.

Last year, a parliamentary delegation travelled to Australia. It became clear that this country wished to integrate the Asian economic bloc. Everyone is trying to join a bloc without necessarily losing their own political identity in the process. Australians remain Australians, even though they are trying to join the Asian economic market place.

The same choice is being put to the people of Quebec, who will have to decide. What I want to do is to reassure them by showing them that, when we see people act like the government today, we realize that when the time comes to take concrete action, the economic reality prevails over the strategic political line designed to sow fear, confusion and doubt in the people's minds. I often say that economics are one thing and politics another. I was involved with economics before getting into politics, and I may revert back some say, who knows, but it is quite clear to me that trends—

Mr. Silye: Six weeks from now.

• (1545)

Mr. Brien: We will see. If Quebecers say yes, it will indeed be soon. Otherwise, we will see. There is an economic logic which all political parties, regardless of their position, have had to recognize in recent years. I doubt there are many in this House who are opposed to the opening up of our borders and to the fact that we can now help our businesses have access to foreign markets.

The American market is extremely appealing and will be even more so in the years to come, given the natural interest that currently exists for a north–south trade corridor. Over time, we did manage to develop an east–west economy in Canada. We built a railroad network and developed infrastructures to promote interprovincial trade. We can now see what is happening with the dismantling of the railway system. The more natural corridors are now emerging. The government can no longer afford to try to create artificial corridors.

Nevertheless, east–west trade developed over time and will continue to exist, but there is a natural need for a north–south movement of goods and services. The northern U.S. states immediately come to mind, but there is also the whole American market. Some very interesting business opportunities currently exist and will continue to exist after October 30.

We will do well if our entrepreneurs are able to manufacture products which offer a good quality–price ratio. If we are good today, we will still be good in a month. Canadians will still be good in a month and so will Quebecers, in those sectors where they already do well. However, we will not instantly become good in those sectors where we do not already do well. We will have to work hard. But we will continue to do business on the basis of the logic that governs business activity.

At some point, we will have to stop getting the public confused by saying that business activity develops according to the political opinions of politicians. The business community will be there long after this government is gone. The logic that governs free trade will probably prevail longer than this government, at least I hope so, thus offering interesting development opportunities.

Later on this afternoon, I will have the opportunity to address another bill dealing with taxation. However, the bill before us, which contains some 100 pages of amendments designed to reflect the international agreements and treaties signed by Canada, promotes economic development and is also in line with the economic logic that currently prevails and that will continue to prevail in the future. I am pleased to see that the government is headed in the right direction. When it comes to the economy as a concrete reality, the logic that applies will still apply in six weeks.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, today we are discussing and debating Bill C–102, an act to amend the Customs Act and the customs tariff and make related and consequential amendments to other acts. It is a fairly large bill and there are some pretty good items in here. I would like to address a few of them.

The Reform Party favours and supports Bill C–102. This bill reduces tariffs on a broad range of goods used as inputs in Canadian manufacturing and operations and on certain finished goods. It enacts changes to streamline and consolidate Canada's duty deferral programs and make them more accessible to all manufacturers. It increases the amount of goods that Canadians can bring home from abroad. I will get back to that more specifically later.

Overall, this bill reflects all Canadian tariffs where previously the tariff was higher than the U.S. level. This of course was a requirement in the NAFTA agreement and allows us to compete on an equal footing with the United States.

This bill sets the framework for establishing free trade zones within Canada. By streamlining regulations regarding tariffs, cities or other regions are now able to provide additional incentives to set up a free trade zone. This allows free trade zones to be set up and funded under the auspices of local rather than the federal government, that level of government closest to the people. It is a philosophy and a theory we support. It eliminates the duplication of services among federal, provincial and municipal governments. It even gets communities involved and is something that is headed in the right direction.

• (1550)

Other tariff reductions in the bill are part of a biannual review of Canadian tariffs and are a result of ongoing consultations with various industries and other requests to lower tariffs to increase the competitiveness of Canadian exports.

To the taxpayers listening to the debate today, the bill gives effect to what they have already been enjoying. It often baffles me how we can be doing things when the law has not yet been passed, but we are out there in the marketplace doing it. I do not know how it works. Nevertheless, this is a measure my party supports.

The bill increases the limits when they go to the United States. If Canadian citizens are out of the country for not less than 24 hours they can bring home $50 worth of product. If they are out for 48 hours it is $200, and if it is not less than seven days it is $500.

Reformers support Bill C–102 because it reduces tariffs and makes Canadian business more internationally competitive. It is in favour of free trade, as our party has been all along. It started that way and it always will be that way, unlike the government.

Government members argued and said that they were against the NAFTA. They argued and said that they would renegotiate the NAFTA. They argued and said that it is not in the best interests of Canadians. Perhaps the hon. member for Kamloops might have a few more words to say on that topic. However, when they formed the government they reneged on that promise. I recall that they indicated in the red book that they would look at the NAFTA. I believe the government made the right decision. It was wise for them to change their minds. It was wise to break that promise. It did Canadians a favour and we will benefit from it in the long term.

Of all the tariff changes, and there are well over 1,500, there is only one increase in tariff; all the others are decreases. In case the finance minister wants to buy a pair to present his next budget, the increase is on rubber boots imported from Great Britain. I think he needs a pair of rubber boots. We all know how he keeps digging our debt hole deeper and deeper every day. He believes in digging deeper. He is committed to digging deeper. He is only adding at the rate of 3 per cent of GDP. That is much less than the Conservative government, but it is still in the billions and billions of dollars. He keeps adding to the problem, not solving the problem. I think a pair of boots rather than a pair of shoes might be ideal for the next budget. Why not, in light of our economic situation?

This is an opportunity for me to put in a plug for something I think has to happen. It has to come about. The time has come. There are members on the other side who agree with this and there are members on this side who agree with this. I believe there are even some members of the Bloc Quebecois who agree with it. Whether they are in this country or in another country, they will probably have to look at this as well.

Why not look at the total reform of our taxation system? Simplify it by redistributing the tax base. Broaden the tax base so that we can introduce the lowest possible rate. This sort of taxation system that is being bandied about is called a flat tax. A flat tax is something that should be debated. It is necessary.

The underground economy is growing. We know how strong the underground economy is in Atlantic Canada. We have just come back from there and we know it is operating. We know that it operates here. I know it operates in Calgary. I know it operates in Edmonton. There is no need for that to happen.

Businesses are losing out to American companies. Bills like Bill C–102 help to restore faith in imports and exports. It helps to bring us back to competitiveness. However, because of our complicated income tax system investors are investing outside of Canada at a faster pace than ever before. I hope the government listens and does something about it.

The United States is also looking. The United States initiated the free trade discussions and is looking at ways and means to improve their tax system. The United States already has a lower tax regime than we do. It already has governments that spend less than we do. Our problem is still high spending in this country, and the government will not reduce it fast enough. Eventually, when we get over on the other side, we will be able to solve that problem.

• (1555)

If the United States will be looking at a flat tax, we should be doing the same. If we are not working in parallel, if we are not working in unison, we will become uncompetitive and our businesses will not be able to compete. If we do not address this and soon, it will hurt an awful lot of Canadians and the country.

We encourage the government to continue further down the road established by this bill and continue to reduce tariffs to facilitate international trade. The federal government has extensive powers to reduce tariffs further and should continue to do so.

When the parliamentary secretary to the Minister of Finance addressed Bill C–102 he indicated that this bill and also Bill S–9 would help the customs people do a good job and represent us well. When he made that point he gave the impression that our customs officials are right on top of it and doing a good job.

I point out to him two issues and two stories. We read about the spray story in the media in which Bob and Ramona Edgerton got rapped on the knuckles for bringing that in. This is another one that sadly distresses me. This happened to a couple who came to Canada on a holiday. It happened at the Huntington–Sumas border crossing. They are in their sixties. They were driving through customs. The official asked if they had anything to declare. As Mr. Edgerton says in his own words:

> The sin was, of course, honesty. While files of cars with Canadian plates streamed north unimpeded, I told the customs agent that we had a bottle of wine and a six–pack of beer in the trunk.
>
> He asked what kind of bottle and I told him a "jug". This immediately excited him and he was out of his border hut in a flash—well more like a waddle. Sitting for hours and harassing geriatric tourists doesn't keep one physically fit.
>
> Anyway, he seemed puzzled by the word "jug" (perhaps the term is unknown in Canada) and demanded to see it. I opened the trunk and pointed to a paper sack; therein was a jug of cheap white wine. The agent examined it at length. It was as if it was the Holy Grail had fallen into his hands.
>
> The man replaced the jug and started to scribble on a pad. I started to close the trunk, but he stayed my hand, demanding to examine the six–pack of beer. This he did with the bedazzled look of a person who is viewing a six–pack for the first time.
>
> Then he announced that I could pay duty or abandon these items. I foolishly opted for duty. Inside the office, I encountered another agent who examined the first one's citation and asked if I had a receipt for the wine and beer.
>
> Back I went to the car and after some rummaging actually found a grocery receipt. All this time scores of cars with Canadian plates were streaming northward at a mighty clip. Not a truck was opened, hardly did they pause at the checkpoint.
>
> I took the receipt inside, handed it over. The beer and wine had cost just under $12. The agent inside said the duty would be $18. I couldn't believe it! A duty of 150 per cent.
>
> It was then I decided to abandon the potables to the customs people, who next asked me—demanded, actually—that I sign a receipt. I signed something that was written partially in French. I don't read French. I may have agreed to give up my possessions and spend my few remaining years in a penal colony outside Yellowknife. I know not, nor do I care.
>
> What I do know is I shall never willingly return to Canada, which will no doubt please most Canadians. The question then is how to recoup my $12. I thought of poaching a few salmon from the mighty Fraser or spray–painting a police cruiser.
>
> But no. Instead, my plan is to avoid all western Canadian games events, cancel a trip to Vancouver, begin dieting and get out of Canada post haste.
>
> Actually, the customs people—who even now are drinking cheap white wine and quaffing economy beer—have not cost me $12, but saved me hundreds. Oh, Canada.

We know that smuggling of guns and liquor is also a big item with these trucks, so we should have been checking a few of them.

Doug Walker has gratefully returned to his home in Asheville, North Carolina.

I would not want the government to think that everything it has done, the way it has done it, and how it has done it is perfect. It is not a perfect world. There is work out there to be done. To gloss over events like this hurts Canada and its reputation. I see no need for that kind of action and activity. That division and that department should be looked at.

• (1600)

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, it is a great pleasure for me to speak today on Bill C–102. As a member of the St. Catharines promotion task force prior to my election as MP and one who had worked on free trade zones in the U.S., it gives me great pleasure to be able to speak today as a member of Parliament on the bill.

I would be remiss if I did not give credit to a number of committee members in St. Catharines: Don Chambers, Don Johnston, Don Wiley, Ian Spraggon, James Wakil and Mike Haines who helped in the work on free trade zones.

Free trade zones in the U.S. are right across the border from us. There are six free trade zones with which the Niagara area has to compete. It is not only the fact that they are free trade zones but the Association of Free Trade Zones meets directly across the border in Buffalo.

While doing some research and working on the committee it was interesting to note the advantages of free trade zones that were published in the U.S: land and store imported goods quickly without full custom formalities; wait until goods leave the zone to pay duty; display goods in showrooms in the zone and have buyers inspect and sample merchandise; process, assemble and otherwise process goods to qualify for lower duty; when manufacturing in a foreign trade zone choose the most advantageous type of duty and quota limitations; salvage or repair damaged goods duty and quota free while finding a suitable market; and store goods indefinitely to await the best market conditions. These are only some of the advantages proposed by free trade zones in the U.S.

Curiously the six free trade zones across from the Niagara area were all started by a Canadian, George Keitner, from Montreal. I give him credit for starting free trade zones. In the previous government he could not get his point across that in addition to free trade and NAFTA we had to work out the details in the accounting systems of our country. It seems that those details were not taken care of back home.

We had consultations and worked with various communities across the country. I had the pleasure of working with members from the communities of Vancouver, Calgary, Newfoundland, St. Catharines and Montreal. Consultations with businesses have accommodated Bill C–102. More important, business, industry and manufacturing people played a part in the changes.

Other advantages were the streamlining and consolidating of duty deferral programs in the customs tariff; making the paperwork more user friendly; making it easier on cash flow; and, more important, allowing various businesses in regions and municipalities to effectively market their programs from their areas.

We all have various opportunities in our communities, no matter where we come from as members of Parliament. The bill will allow various teams in communities to create their focus and exporting niche. We have different products across the country so we can all take advantage of additional exports.

As cited in the foreign affairs and international trade report last spring, creating and promoting an international orientation for business in Canada should be a priority objective. Bill C–102 helps meet that objective by providing access to the program by the businesses and communities I mentioned earlier and by allowing the economic development programs to flourish. It does not restrict. It assists business manufacturers to make things happen. Of course in the end this means jobs for Canada.

• (1605)

I especially like the wording of the bill. As my colleague across the way mentioned, the bill is quite thick. Current inward processing allows the relief of customs duties and the various taxes and excise taxes and enables the cost of doing business to come down. The bill also allows new manufacturers and new start–up companies to get into the business instead of having a history on which they have to report. Having new businesses getting into exports allows us to build our international export trade.

Streamlining customs duties and requirements will make it much easier for our manufacturers. We will have to build in accountability but it is better to build in accountability rather than restrictions.

I am reminded when we toured many of the free trade zones in the U.S. of the physical barrier requirement. In Bill C–102 no physical barrier will be required. It will be an easy and simple system, created as such so that our manufacturing strength in Canada can be improved even further on the export markets.

I am also reminded imported goods and domestic goods can be used interchangeably. Many of the items previous speakers have mentioned will be advantageous. After touring some 60 free trade zones in the U.S. and having discussions with various people, the government in the co–operation with the users of the bill has made a substantial improvement on how we do business in Canada.

As mentioned before, it is the duty of the Government of Canada to assist business in making things happen. In the bonded warehouse provisions, activities currently provided for in the bonded warehouse legislation such as storage, packaging, repackaging, labelling, normal maintenance, servicing, complying with any applicable law of Canada and testing of same will continue. There are also improvements. The government needs to continue to look at our systems, in this case duty deferral and remission programs, and make continuous improvements as we go along.

Over time product research and product lifecycles change. Therefore our accounting system needs to change. In the proposal storage time has been increased to four years, which will allow various businesses and companies in the manufacturing sector to determine their own productivity planning, to determine their own productivity cycles, rather than the system telling them how to produce.

In previous discussions I mentioned the 60 free trade zones with which our committee exchanged information. In this government proposal and the submission put forward we have taken the best of many free trade zones and incorporated them into our structure. It is a team Canada approach to making things happen.

As a result we will increase our exports. More and more companies and businesses will see that although their competitors may be unproductive they will be co–operating as they export more and more products around the world. We are into a global situation and these improvements are perfect timing as we look forward to next year's budget.

• (1610)

I bring to the attention of the House how manufacturing will benefit from this proposal. Often we take manufacturing and manufacturing jobs lightly. We forget that some 1.8 million Canadians are directly employed in manufacturing and over 2 million depend on our industry for their livelihood. Almost 50 per cent of goods manufactured in Canada are exported. In 1980 it was 25 per cent and now it is 50 per cent.

I also bring to the attention of the House that some 75 per cent of the research and development in the private sector is done in manufacturing.

With the assistance of Bill C–102 I am sure that many manufacturing businesses will take advantage of the system because the cost of doing business will be reduced. When we reduce the cost of doing business we allow for more business to be done and we can compete on a world scale.

The government continues to work to remove paperwork and make the system more effective. It helps companies and businesses to spend their time on sales, research and productivity. It will improve exports, Canadian quality and costs, making us even more competitive. As I mentioned earlier, jobs in Canada

will be improved by exports without a major cost or expenditure by the government. There is a way to improve the employment situation and make things happen.

I commend the finance department for all the work it has done on the bill. It is obvious that with support from the three previous speakers and working together as Canadians we can improve our system in Canada and complete on a global level.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, as we have heard a couple of times today, we are debating Bill C–102, an act to amend the Customs Act and customs tariff and make related amendments to other acts.

This is a very important bill. As the trade critic for our party I say that it is vitally important to reduce tariffs as quickly as we can. The Reform Party fully supports the bill.

The bill reduces well over 1,500 tariffs and since we are a pro free trade party we are in favour of all of them. The tariffs being reduced are on a broad range of goods used as inputs into Canadian manufacturing operations on certain finished products. By reducing these tariffs our costs of manufacturing will be reduced. The result is that manufacturers will be able to invest more money into plants and equipment.

This type of tariff reduction is a stimulant to our economy. It will create more jobs than the old–fashioned job creation programs we have seen in the past. I urge the government to go further down the road and establish as many cuts to existing tariffs as possible to move this along as quickly as possible.

The cost incurred by Canadian manufacturers are already high enough by virtue of our climate and our great distance from markets. Let us give our manufacturers a break and eliminate these tariffs wherever possible.

We will also be eliminating a lot of paperwork and red tape. Working through all the red tape is a big cost of doing business. I would not be surprised if many of these tariffs actually cost the government more to collect than what it gets from them.

Not long ago I recall reading a story about the so–called Asian tigers of the South Pacific that have enjoyed spectacular growth because they have slashed tariffs more quickly than their competing nations. That demonstrates open competition is very good. We have seen growth rates in some of those areas of 10 per cent per year.

• (1615)

We in Canada have been too cautious in this regard and too concerned about protecting industries and companies that do not really deserve that protection. I would much rather see real competition in the marketplace rather than protectionism.

Bill C–102 also increases the value of goods that travellers returning to Canada can bring back. Returning residents now have a $50 exemption after the absence of 24 hours, an increase of $30. The exemption for 48 hours goes to $200 from $100 and the seven day exemption increases from $300 to $500, all good moves I think.

These changes bring Canadian travellers' exemptions into line with those of our major trading partners and eliminates some of the petty hassles we have heard addressed in the House earlier today that travellers face at our border. I would rather see customs officials concentrating on drug and gun smugglers and other types of smugglers than have them preoccupied with what amounts to a pair of Adidas runners.

Another measure the bill streamlines is customs clearance procedures by treating goods imported by travellers as basket tariff items. My understanding is there is a proposal presently under consideration to replace the thousands of existing customs categories to just 12. That would be welcome as well.

When these changes are implemented at a later date they should speed up our collection of duties by more than 50 per cent. The time savings will allow Revenue Canada to focus on processing commercial imports and spend more time for enforcing the laws against smuggling.

The final major change the bill brings about is streamlining and consolidating the duty deferral programs, making them more accessible to the manufacturing community. Canada has three programs which defer or relieve duties on goods for export or goods awaiting formal entry into Canada. These are duty drawback, inward processing and bonded warehouse programs. By eliminating certain administration restrictions that currently exist these programs will be now more accessible to small and medium size companies.

The Standing Committee on Foreign Affairs and International Trade is currently studying ways to make small and medium size companies more able to take advantage of trade pacts we have introduced in the House such as NAFTA and the GATT agreement. Anything we can do to relieve the pressure they have in doing business in this country is welcome.

Because these free trade zones will now be set up and funded under the auspices of local government rather than the federal, cities and other regions will have greater incentives to set up these free trade zones. I believe more natural trade corridors will develop as a result of this.

Such a free trade zone was set up at the Vancouver airport in March 1994. More recently a similar free trade zone was established at an Edmonton airport. I believe Atlantic Canada is a natural one that should take advantage of this as well.

These free trade zones allow businesses to bring in goods from abroad without paying the federal GST, provincial sales tax or import duties until the goods actually leave the free trade zones. Companies are free to repackage, test or make value added modifications to these imported goods. No taxes or duties are payable until the goods are shipped off again. The companies get to use their working capital for a longer period of time and save a lot of unnecessary paperwork.

Here is another example of how the government can stimulate by getting out of the way; free the hands of business, cut the bureaucracy, the red tape, and watch this great country get back on track. It is something we certainly need.

We support all of these measures and we welcome additional measures to make further cuts in tariffs even if we do it unilaterally.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I am pleased to have an opportunity to say a few words regarding Bill C–102.

At a time when too many Canadians are out of work, too many Canadians are underemployed and too many Canadians who are employed find it a struggle to make ends meet as a result of low paying jobs and so on, in the service sector particularly, Bill C–102 is a step which will facilitate expansion in the manufacturing sector. It will have a direct bearing on an increase in future jobs. In that sense we see there is an upside to this legislation which will be helpful to people from coast to coast.

• (1620)

I was pleased to find that Bill C–102 enables customs officers to spend more time with clients. This is much needed. A constituent of mine, Tony Walters, was visiting in the American southwest not long ago and when he came across the border into Canada he indicated to the customs officer he had bought himself a pair of riding boots made of armadillo skin. The customs officer said he would have to keep the boots and examine them. My friend asked if there were any problems. The officer said he did not think so but that he had to confiscate the boots, which he did.

Nothing happened. My friend some weeks later inquired and the officer said: "We notice there are armadillo skins on these boots and we think they might be an endangered species in the future". My friend said: "Fair enough, but at the moment they are not an endangered species and there is no reason I cannot collect my riding boots". He said: "You will have to wait and check with the minister".

I checked with the Minister of National Revenue, who is responsible for customs, and told him of the plight of my constituent. The minister said he would look into it but unfortunately that is the last I have heard of it.

I did receive a call from my constituent who informed me he had received a letter from Canada Customs saying it had burned the boots. My friend was not pleased. He felt they were legitimate riding boots, a legitimate import. They cost him a couple of hundred dollars and they had been burned by Canada Customs. He felt he was due some compensation. It seemed to me he was right in that assumption. Perhaps the Minister of National Revenue is out there listening and will once again address this matter. As I said, unfortunately I did not hear anything back from him once I brought it to his attention.

Bill C–102 moves us in an encouraging direction by eliminating more than 1,500 manufacturing input tariffs. It will be good for the expansion sector. However, what has driven this bill is the NAFTA. This will bring our tariff schedules in line with American manufacturers in an effort to obtain a more harmonious or level playing field in the manufacturing sector between Canada and the United States. We have had the NAFTA debate and it is over.

I will register a concern which I, my party and increasing numbers of Canadians have. I do not want to say anything against our American friends but is it wise for an exporting country to put so many of its eggs in one trade basket, to link itself so inextricably, intensely and extensively with one country?

I think we can all acknowledge that now for all intents and purposes economically speaking we are the equivalent of an additional U.S. state or territory. Our economy and the economy of the United States is inextricably connected. That makes us very vulnerable to economic occurrences in the United States. If its economy starts to falter the ramifications will ripple through our economy within minutes.

I know many members of the House are enthusiastic supporters of the NAFTA and what that means and that we are now nothing more than an economic extension of the United States.

• (1625)

In our long term best interest as a country is it to our economic advantage to put all of these trade eggs in one basket? Will our children and grandchildren benefit from this initiative? I do not think so and I raise that as an extension of the debate on Bill C–102.

On balance we support this legislation. I particularly like the idea that the duty exemptions for travellers have been increased. As I recall, the last increase was in the early eighties. Now travellers will be able to bring in goods duty free to reflect these changing times. I still think they are too small. However, it is a step in the right direction.

My friend from Calgary Centre raised the point that one of the motives behind this legislation is to bring our tax regime in Canada more closely in line with that of the United States. He expanded to say it would not only be in terms of tariffs and so on but also our corporate and individual taxation systems.

He mentioned theirs was somewhat lower than ours in Canada. I noticed the Minister of Health is here. One reason our tax system is somewhat higher than in the United States is a reflection of some of the benefits we obtain because of our tax system.

I had the good fortune two years ago to spend time on a formal visit to the United States. Part of that visit included a visit with an American family every evening to talk about life as it saw it and to provide an opportunity for it to meet a Canadian to hear about what life in Canada is all about.

One of the questions I asked every evening for 28 days in succession concerned what that family paid for health care, what the cost for that family was. In every case the cost of health care, not to the same extent we have in Canada but at least close to it, varied between $5,000 and $7,000 per family. That is what it cost them out of their pockets each year. That was a system

through which all sorts of medical services were deductible. If someone had their tonsils out they might have to pay a $500 deductible.

While we discuss taxation—goodness knows we are doing it today and I suspect we will be doing it for many weeks beyond this—as we work to compare the tax regimes of the United States and Canada we should always keep in mind the relative benefits citizens in each country receive as a result of those tax regimes.

(Motion agreed to, bill read the second time and referred to a committee.)

* * *

EXCISE TAX ACT

Hon. Diane Marleau (for the Minister of Finance, Lib.) moved that Bill C–90, an act to amend the Excise Tax Act and the Excise Act, be read the second time and referred to a committee.

• (1630)

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, it is with great pleasure that I rise to speak at second reading of Bill C–90. This is an important bill in that it will give legislative effect to excise tax changes announced earlier this year, including measures that were contained in the budget of February 27, 1995.

The key budget measures in this legislation include changes to the air transportation tax that will recover a greater proportion of the cost of providing air transportation services and facilities. An increase in the rate of excise tax on gasoline equal to 1.5 cents per litre will assist the government in meeting its deficit reduction targets.

Amendments to the marking requirements for tobacco products for sale in Prince Edward Island will phase out the sale of black stock or unmarked tobacco products and allow for the sale of Nova Scotia marked tobacco products. Changes to the seizure and notification provisions in respect of offences under the Excise Act will improve the efficiency and effectiveness of enforcement activities.

The bill also contains important changes in respect of excise tax rates for tobacco products for sale in Quebec, Ontario and Prince Edward Island. The amendments contained in the bill will give legislative effect to a modest federal excise tax increases that were announced earlier this year in conjunction with provincial tobacco tax increases in these three provinces.

These tax increases follow the success to date of the national action plan to combat smuggling in significantly reducing contraband tobacco activity and restoring the domestic tobacco market to legitimate Canadian wholesalers and retailers.

Let me address the air transportation tax. As part of the government's efforts to meet its deficit reduction targets the budget of February 27, 1995 proposed changes to the air transportation tax that will recover a greater proportion of the cost of providing air transportation services and facilities.

In accordance with this proposal the bill contains amendments to the Excise Tax Act that will increase the maximum air transportation tax on higher priced domestic and transborder air travel and the tax on international air travel purchased in Canada from $50 to $55.

In addition, the maximum tax on transborder air travel subject to the United States' 10 per cent air transportation tax and the tax on international air travel purchased outside Canada will increase from $25 to $27.50. These new rates will apply to air travel purchased on or after May 1, 1995. Where air travel is purchased outside Canada and the tax is not prepaid, the new rates will apply to air travel which includes an international departure from Canada on or after May 1.

These changes to the air transportation tax will generate additional revenues of $27 million in the 1995–96 fiscal year and $33 million in the 1996–97 fiscal year.

Also as part of the government's efforts to meet its deficit reduction targets, the budget of February 17, 1995 proposed to increase the rate of excise tax on leaded and unleaded gasoline and aviation gasoline by 1.5 cents per litre.

• (1635)

To give legislative effect to the proposals Bill C–90 contains amendments to the Excise Tax Act that will increase the excise tax on leaded gas and aviation gasoline from 9.5 cents per litre to 11.0 cents per litre and the excise tax on unleaded gasoline and aviation gasoline from 8.5 cents to 10 cents per litre.

These changes apply to sales of gasoline and aviation gasoline after February 27, 1995 and will raise an additional $500 million per fiscal year. At the same time I would like to note that the federal excise tax on diesel fuel will not be increased.

The budget of February 27, 1995 also announced the government's intention to phase out the sale of black stock or unmarked tobacco products and authorize the sale of Nova Scotia marked tobacco products in Prince Edward Island. These changes are being undertaken at the request of and pursuant to an agreement

between the governments of Nova Scotia and Prince Edward Island concerning the use of Nova Scotia marked tobacco products.

In order to give effect to this agreement Bill C–90 contains a series of technical amendments to the taxation, offence and rebate provisions of the Excise Tax Act. These amendments will effectively phase out the sale of black stock tobacco products and authorize the sale of Nova Scotia marked tobacco products in Prince Edward Island at the reduced rate of federal excise taxes that are applicable in Prince Edward Island. These changes will be effective on royal assent to the bill.

The final budget related measure contained in this bill involves changes to the seizure and notification provisions of the Excise Act. The Excise Act currently provides that officers must seize any vehicle used to transport alcohol and tobacco in contravention of the Excise Act even where relatively minor amounts of contraband are discovered. In the past this provision has created enforcement difficulties by forcing officers to seize vehicles in situations where seizure is neither a practical nor an appropriate remedy. To rectify the situation this bill amends the Excise Act to provide officers with the discretion to use the power to seize vehicles that are used to transport contraband alcohol and tobacco.

The Excise Act will also be amended to require that where officers have evidence that a person other than the person from whom the vehicle is seized has an ownership or similar interest in a vehicle, the officers shall take reasonable efforts to ensure that notification of seizure is sent to the last known address of that person.

Both of these measures will operate to improve the efficiency and effectiveness of enforcement activity.

Bill C–90 contains important changes to the excise tax rates for tobacco products for sale in Quebec, Ontario and Prince Edward Island. As my hon. colleagues are aware, the national action plan to combat smuggling was announced by the Prime Minister on February 8, 1994. The combination of initiatives launched under this plan, including increased enforcement resources, tobacco tax changes and the special surtax on tobacco manufacturers has proven effective in significantly reducing contraband tobacco activity and restoring the domestic tobacco market to legitimate wholesalers and retailers.

As a result of these efforts, the government has been able to take important first steps toward the long term restoration of uniform federal excise tax rates for tobacco products across Canada.

In Quebec and Ontario federal excise tax rates are being increased by 60 cents per carton of 200 cigarettes, while in Prince Edward Island excise taxes are being increased by $1 per carton of 200 cigarettes and 32 cents per 200 tobacco sticks.

• (1640)

It is important to note that these federal excise tax increases are being undertaken in conjunction with provincial tobacco tax increases in the three provinces. These joint federal–provincial tax increases follow the scheme of matching tax reductions announced under the national action plan and reinforce the importance of co–ordinated, federal–provincial action to deal effectively with contraband activity.

The excise tax increases in respect of cigarettes for sale in Quebec and Ontario are effective February 18, 1995 while the increases in respect of tobacco sticks and cigarettes for sale in Prince Edward Island are effective April 1, 1995. These changes will generate an additional $65 million in federal revenues on a fiscal year basis.

As members can tell from the outline of this speech, Bill C–90 is an important bill. This bill enacts a number of key revenue raising measures contained in the budget of February 27, 1995.

While the budget delivered on that date emphasizes reductions in spending by a margin of seven to one over tax increases, the measures contained in this bill relating to the air transportation tax and the excise tax on gasoline are key components of the government's commitment to both increased cost recovery and meeting its deficit reduction targets.

Other measures such as the amendments to the seizure and notification provisions of the Excise Act will improve the delivery of enforcement activity, while changes to the tobacco marking scheme for Prince Edward Island will allow for greater efficiency in serving the Prince Edward Island market.

The changes to the excise tax rate for tobacco products for sale in Quebec, Ontario and Prince Edward Island emphasizes the success to date of a national action plan to combat smuggling and to raise important, additional revenue for the government.

I urge my colleagues to give speedy passage to this bill.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, this is our third bill this afternoon. We shall continue, but our differences are now going to surface. We could agree on the first two bills, but we can only go so far. When we get to the excise tax on gasoline, our views will no longer coincide.

Bill C–90 contains a number of acceptable measures to which we have no objection. For instance, bringing the price of cigarettes back to levels that are less an incentive to consumption. Provided this does not resurrect the smuggling network and

does not give them that opportunity, I think it is satisfactory. Everyone expected this, if we want to keep fighting cigarette smuggling from the point of view of law enforcement and avoid encouraging people to buy this product, on health grounds.

Of course we have some questions, because there are a number of problems we will have to deal with in connection with anti–smoking campaigns. We need a plan with a very clear–cut purpose to ensure this campaign does not encourage smoking, especially among the young and young women, where smoking is very widespread. We will have to find ways to restrict tobacco consumption.

I will be very brief about this aspect. I agree that reducing the excise tax probably helped to destabilize smuggling rings, but there was not much in the way of law enforcement. Smuggling still exists because we have not dealt with the real problem. We may have the same problem with other products. It could happen whenever the tax on the product is unreasonably high. That is one reason we have to be careful in the case of gasoline, because there is a limit to what the public will tolerate.

• (1645)

When we consider the price of gas, when we break down the price at the pump, fortunately people do not see the real price, because taxpayers would be rather upset. The price includes a lot of different taxes. So many that we may have gone too far, especially—and this was said by the Canadian Automobile Association—since there is no guarantee that this money is invested in highway maintenance or used to compensate for environmental damage. It all goes into the consolidated fund, and there is no way to find out how this revenue is used.

In fact, they were in favour of creating a fund to ensure that gasoline taxes are used to compensate for the impact on the environment or reinvested in road maintenance. They did not talk much about an environmental fund, but if this initiative ever went ahead, one option would be to bypass the consolidated revenue fund and put part of this tax revenue into environmental funds.

There are other measures, including an air transportation tax, which would increase the maximum tax on international air travel from $50 to $55. This is no big deal, but when we consider taxation in general, after two years in the House, after everything that has been said and heard and discussed on the subject, the tax on gas was discussed in the last budget and this was basically a fiscal measure to quickly raise $500 million.

The purpose of this tax was to raise revenue fast. The air transportation tax was affected as well, and once again, it was changed at the expense of people in the regions, because they reduced the tax on short haul flights but the tax on longer flights was increased, in the case of domestic flights, which means that people in Baie–Comeau, Val–d'Or or Rouyn, in my region, are now faced with a tax increase of several dollars. It is not much, but the price of plane tickets was already very high.

But the major tax initiative, the campaign promise, was not to increase gasoline taxes, but to change the tax on goods and services. That was the campaign promise. The subject was raised in the House and studied in committee. The committee gave a report, which, if memory serves me, lasted 17 or 18 hours. The next day in the House, the Prime Minister distanced himself from the report, because the committee—and when I refer to the committee, I am excluding myself and the Bloc Quebecois—proposed a tax, a sort of hybrid tax on business activities mixed in with the GST, in other words, a very short lived and now shelved proposal.

The Prime Minister's promise was that two years after the Liberals arrived in power, let us give them two and a half years—so we will say January 1, 1996—the GST would disappear. Both during the election campaign and in the House, I have heard the Prime Minister say: "We hate this tax and we are going to eliminate it". Now, whether he hates it less or whether he is not going to eliminate it, the Prime Minister is no longer saying that he will eliminate the GST.

Is the magic gone? What happened? There is no more mention of it at all, just as with every hot item here in Ottawa. The government gives the illusion of working on real things, but the legislative agenda is sparse. They are all more or less contentious matters, which have already been announced, whereas we are still waiting for measures on pension reform and on unemployment insurance reform.

What will be the new human resource investment fund that is to be set up by the Minister of Human Resources Development, which is very important and will involve the reform or dismantling of the network of employment centres? Everyone is waiting to see it to get an idea where the federal government is going, but only a minimum of information is being provided, because of the political context in Quebec, and the federal government does not want to tell us clearly what is happening.

It is a bit unfortunate, particularly on the part of people like the Minister of Intergovernmental Affairs, who is taking pleasure in saying that the Government of Quebec is hiding things or studies. Well, here they are keeping what will happen after the referendum really under wraps. The people do not know what is going on. They have a hard choice to make, and I understand them, but when they look at the no side, they see nothing. They do not know what will happen to them. It will be a matter of trust. Are they going to trust the people who represent this camp, the present Prime Minister? If I were he, I would be worried. I

am not sure people are going to give him a blank cheque to do what he likes afterward.

We are entitled to expect to know what initiatives the government plans to take. It remains silent, however. About the GST, though, I would like to remind them, because the opportunity is too good to miss, that they made promises to the people. In the finance committee, we heard just about anything. That tax is a bad one, everyone agrees on that, on a number of things.

• (1650)

The underlying principles are not all bad in it, but some government members were saying that the black market economy was due in large part to the GST. There are limits. Let us not exaggerate. The figures bandied about were surprising. The government was said to be losing billions of dollars in revenue just because people did not accept the GST. There is some truth in that, but not in the proportions they were talking about in the elections or before the committee.

Nevertheless, this was their opinion. They have all become silent about the GST. Apparently there was some discussion about it in caucus before Parliament resumed. There has been some discussion but not much in public, and in the long run the hope is that people will forget.

Implementing a reformed tax is not easy. The main criticism of the GST by business was the short time between when the decisions were made, when the tax was defined, and when it was implemented. Since it was all done very rapidly there was a great deal of confusion. This has moreover never been settled completely because there are still close to a billion dollars in unsettled accounts or unrecovered taxes, in large part the result of the initial difficulties many people experienced in understanding the tax.

If they want to reform this tax before the end of their mandate, there is not much time left for defining the rules. It is surprising that we are not hearing about it any more. These are people who are asking Quebecers to write them a blank cheque and trust them at their word. And yet, during the election campaing, they promised to do away with this tax and replace it with something else. Since that something else has not been defined yet, the first part is irrelevant. Nobody is currently looking for something else. Once in a while, the finance minister uses fancy words to tell us that he is holding discussions with his provincial counterparts, but are all these discussions leading somewhere? Where is this getting us?

We know full well that they were hoping for a Liberal government in Ontario, which would have been more inclined to cooperate; as we know the main stumbling block to revamping this tax is the fact that Ontario still taxes inputs used in the manufacture of other goods. For instance, a piece of wood used to manufacture a piece of furniture becomes an input when processed.

In Ontario, a number of inputs are taxed, apparently to the tune of a few billions of dollars. If both taxes were harmonized, Ontario would stand to lose substantial revenues.

As a result, far from being simple, the tax system is relatively complex. Quebec went ahead with harmonization but this reveals once again one of the fundamental problems of the current political system in Canada, which is the result of the federal government's spending power allowing it to spend in any area it chooses; but to do this it must collect money.

Since all governments, either provincial or federal, collect money the same way, through income tax and other taxes, the stakeholders are numerous. More particularly in Quebec, because in Quebec we never really had any confidence in receiving money indirectly through transfer payments. If we look at what is going on now, perhaps we did the right thing; it is still far better to get tax points than transfer payments, because sooner or later the government could very easily be tempted to cut them.

That has really complicated the system for people. For businesses as well. I am often asked by business people in my province what the concrete advantages for us would be if Quebec were to decide to take control of its own destiny and be fully autonomous, while maintaining relations with our trade partners? When we talk with them, they soon realize that there are very concrete, immediate advantages for them, and I am happy to underline that to my Reform colleague. Indeed, there will be only one taxation system.

For them, that means a lot less paperwork, a lot less trouble, and it is a lot easier to understand. It is the same for individuals. One need only think of the spring, when the deadline for income tax returns is near; we get out our receipts, our employment statements, our unemployment insurance statements or other papers, and have a look at them to fill our income tax returns. It is extremely complicated.

• (1655)

Not much effort is put in making things simpler. Eliminating one level of government will already be an improvement in that area. For starters, this natural tendency towards duplication, with two levels of government collecting money they are free to spend as they please, will no longer be an issue.

This is one of the major problems with this political system in which a $500 billion debt was accumulated without any concrete steps being taken to restructure the federal government's spending power, this power to spend that eventually turned into the power to get into debt. What was achieved by this in concrete terms? With respect to employment, it did not even succeed in preventing unemployment and joblessness from reaching unacceptable levels.

There is one lesson to draw from the current situation and that is that we just cannot keep our heads buried in the sand all the time and claim on the basis of any odd statistical report that we are living in the best country in the world. It is not true that we have to hide behind this kind of thing.

I went to a school of administration where we studied cases, problem cases, and ways of resolving them. The first step in a good diagnostic, and the same applies to our personal circumstances, it is always the case, is to admit a problem exists. When I see people who refuse to admit there is a problem, even when it is staring us in the face, then the problem is compounded. I think that the people should not feel reassured, even though they have been told that in future administrative agreements will be negotiated or other ways will be found to improve the system. Unless we change the basic rules, we will always have problems.

It is unfortunate that we in Canada have trivialized such an important word as "constitution". A constitution sets out the rules of the game. Before sitting down to play a parlour game, people should first agree on the rules. If, in the middle of the game, they start to disagree on how the rules should be interpreted, they will have problems. That is what is happening with our Canadian constitution.
We cannot agree on the rules of the game but we are not redefining them. This creates a lot of problems. We have tried to change the rules over the years but all our efforts have met with failure.

A country that is afraid to discuss its constitution is a sick country. A country whose prime minister refuses to use the word Constitution because he is not very proud of it is a country with a lot of problems. And this is what we see in Canada, at present. They say: We do not want to talk about it. They are ashamed. They are ashamed because there are past events they would rather not refer to.

Having said that, I would like to come back to the bill before the House and state that we cannot support the tax on gasoline, which raised the price per litre by 1.5 cents following the last budget. Since these taxes are often not visible, we tend to forget about them. After a couple of days, we forget about them, but I now have the opportunity to remind all those who are listening that they should not forget the 1.5 cent increase per litre they have been paying these last few months, because of the federal government and the measures undertaken in the last budget to generate $500 million.

Taxpayers are willing to let the government raise more taxes if it keeps a better control over its spending, but it is frustrating to give more and more money to the government and feel there is no real improvement in our debt situation.

It is all very fine to say that the Minister of Finance is likely to meet his deficit target of about $32 billion this year, but that still leaves us with a $32 billion deficit.

With our economic situation and the likelihood of a slowdown in the United States—maybe not later this year, but next year—that could affect Canada too, there is no guarantee we will still be on track with our public finances. The Conservatives had reduced the deficit to an acceptable level, but when the recession came about, it went out of control. It is a bit like trying to cram something into a box. When the box is too full, it just bursts open.

I think the same thing is happening now. Every time the box bursts open, it becomes harder and harder to pick up the pieces. The deficit has now reached a level that is extremely high.

We are certainly not willing to support measures aimed at increasing government revenues when there is still so much to do in terms of reducing government spending.

In conclusion, I want to remind the government of its commitments, one of which was to review the GST. We thought that it was too little, that the whole tax system needed to be looked at. We offered our help but the government refused. We did a detailed study of the GST in committee. Recommendations were made but the government never followed up on those recommendations, particularly those of the Bloc Quebecois, which were the best among those contained in the report. The day after the report was tabled, the Prime Minister himself rejected a recommendation made by the Liberal majority.

• (1700)

So they have commitments. They say they are people of their word and look after the real problems and are concerned about them. During the election campaign they said they were going to change the tax. We are still awaiting the outcome and are eager to see what happens.

The Minister of Health, who was on the finance committee herself at the time, must really know what is happening with this tax. They must have been studying it when it was introduced. The time has come for them to act and to stop hiding behind all the illusions they are giving the public about getting down to the real problems. Because in reality, nothing much happens in this House, except for the legislative agenda, which drags on and must be adopted. The real issues have to be put on the table so we can see what they are really going to offer the people. We will be able to do much more enlightened things.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, before I begin my speech on Bill C–90, I will comment on the speech from the member for Témiscamingue about broken promises. I agree the government promised to get rid of the GST but it will not get rid of it. The Deputy Prime Minister promised to resign if the government did not get rid of the GST and she is still here

and will not resign. This is another example of two broken promises.

Bill C–90 is a tax bill, pure and simple, and a huge tax grab that serves only to hurt the economy. The Liberals have been big on their flowery rhetoric of no tax increases. On a personal basis they did keep that promise. However, Bill C–90 hits Canadians in their pocketbooks both at the pumps and in the air.

Our main contention or disagreement with the bill is it implements the 1.5 cent per litre gasoline tax discussed in the 1995 budget. This revenue raising measure, a tax hike, will raise $500 million. As Reformers we vehemently oppose this measure.

My colleague, the member for Lethbridge, will rise this afternoon as well and talk more about the effects of gas taxes, and so I will leave this important subject for him.

Other aspects of the bill include an increase in the air transportation tax from $50 to $55 for domestic and transborder flights purchased in Canada, and from $25 to $27.50 for transborder flights purchased outside Canada. The tax on airlines is based on the amount of time people spend in the air. It is designed to recover government costs for things like air traffic controllers, maintenance, et cetera.

This is the second time in as many budgets the finance minister and the Liberals have increased the airline transfer tax; $40 on domestic flights when they took office and $55 now, a $15 increase. This tax hike, revenue raising measure, will raise $27 million to $33 million for government spending.

Bill C–90 increases the excise tax rates on tobacco products for sale in Quebec and Ontario by 60 cents per carton and on tobacco products for sale in Prince Edward Island by $1 per carton. Originally in Bill C–11 the Liberals thought the best way to battle the underground economy was through reductions in incentives to smuggle because of the high rate of taxation; that is, take the profit out of smuggling. I agreed with that position and it was a good thing to do. It worked on cigarettes, so why not do the same for liquor which is now also causing a big problem at the borders and is offering opportunities for smugglers to make extra money and not pay their share of the taxes?

They killed the taxes on smokes in Ontario and Quebec and now those taxes are creeping up again. This revenue raising measure, this tax hike, will generate $65 million for government spending.

I question how the government spends our money. Every one of these three measures increase taxes when the finance minister presented his budget, pretending all along he was not raising taxes. What we need is tax decreases, lower taxes so people can create long term meaningful jobs. If people have more disposable income in their hands and in their pockets and businesses had more disposable income they could stimulate the economy. The government is blind as to what to do in terms of an economic philosophy which has long term meaningful benefits for the country.

• (1705)

We have just come back from Atlantic Canada. It does not want any part of ACOA. It told us that. ACOA subsidizes and helps high risk businesses. High risk businesses have a tendency to have a high failure rate. Those people concluded early on that therefore the government is subsidizing failure and they do not want that. They want the government to not spend that money and to lower their taxes instead, leave the money in their pocket and they will look after themselves very well, thank you very much. That is in P.E.I., in Nova Scotia and in New Brunswick and Newfoundland. Those provincial governments, Newfoundland and New Brunswick, are cutting with real cuts, unlike this government.

Government red tape, involvement and intrusion are all driving up costs and driving investment out of the country. The government may laugh and think it has have the perfect plan but sadly and faster than we realize capital is leaving the country. The global market has shrunk the opportunities to having it as quick as pushing a button on a computer. We can move products, goods, services and the dollar signs simply go from one account to another and Canada is not participating. Canada is blind with its cumbersome, complicated, convoluted Income Tax Act and we are missing opportunities.

We need lower taxes and a new tax system, a flat tax with high and good personal exemptions and no double taxation. It is funny that when we deal with other countries such as the United States on NAFTA we send trade representatives with to meet its trade representatives. We negotiate agreements with them. What do we do? We eliminate double taxation. We lower tariffs. We look at ways of stimulating more competition. We look at ways of helping business. When the government comes back to Canada to its own people and businesses it raises taxes and keeps double taxation. That is hypocritical. Why does it not have its trade representatives negotiate with the finance minister and get it changed?

What we need is a simplified taxation system that reduces compliance costs and makes everybody more willing to participate and able to participate in stimulating the economy.

Bill C–90 amends seizure and notification provisions of the Excise Tax Act to provide enforcement officers with greater discretion. Previously customs officers had to seize vehicles if contraband tobacco was discovered. This bill will allow them some discretion. However, I do not know if this discretion is the answer for some of these officers in light of a couple of stories about senior citizens from the States travelling to Canada and being treated like terrorists for a bottle of pepper spray used to

fight off attackers. Another couple was recently forced to pay $18 of tax on $12 worth of wine and beer.

Bill C–90 is a disgrace for the Liberals. They claim they are not raising taxes. They try to use smoke and mirrors but the finance minister's rhetoric is not fooling anybody. Canadians know how this hurts them. Canadians see it every day. They will not forget at the next election.

The Reform Party is opposed and will always stand opposed to tax increases and we are against Bill C–90.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, it is my pleasure in one sense to speak to Bill C–90 but in another sense not at all because what we are talking about is the Liberals following tradition, just as the Conservatives did in the 10 years they were in government, of increasing taxes. That is all we hear and they are following the traditional pattern of new taxes for Canadians.

Here we are after the fact. The taxes have already been implemented and we in the House are asked to stand up and pass a law which puts legislative effect to that action of the government. That is wrong in principle. I cannot believe how the government is able to do that. I know there is precedent for it in this assembly. We witnessed this in the spring session, last fall and the spring before. The government brought legislation forward to legislate some tax act or some act that was already happening in the general public without a legislative authority. In principle that is absolutely wrong. That is one of the first reasons I am saying no to Bill C–90.

• (1710)

There is another reason. We are witnessing government in the pockets of Canadians, government at the table of Canadians and government in the gas tanks of Canadians. The government is a partner and wants to be an ever increasing and intervening partner in the private finances of individual Canadians.

Look at tax freedom day. It is sometime in July before Canadians are free from taxes. They have finally paid their taxes to the government in July of each year. Canadians are working half of the year to pay their taxes to the government. That is wrong. It is suppressive and it is not good for Canada. That is why the Reform Party has said over and over we must reduce the tax load on Canadians. To do that we must first reduce the deficit. That will lead to a balanced budget and responsible spending. That is what must happen.

We talk about the government at the table. During our recent visit to the maritimes we heard all kinds of presentations from people in the maritimes and Newfoundland who told us the representation in that part of Canada is inadequate. There are major problems not being dealt with. They are suppressed by taxes. They were not listened to in terms of gun legislation, in terms of health care, in terms of tougher criminal laws, and the list goes on. The inshore fishermen, the mid–shore fishermen and the hand liners all said they tried to tell the government what it should do but it does not listen.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Kilger): It would seem the hon. member for Lethbridge has as many supporters for his view on his side as there are dissenters on the other side. I am caught in the middle and I am having great difficulty hearing.

Mr. Speaker (Lethbridge): Mr. Speaker, Canadians want to hear what we say in the House of Commons and they certainly want to judge the points of view the various parties have with respect to a variety of issues.

During my visit to the maritimes I had the pleasure of being in Digby County where we met many friends and people who were interested in the point of view of the Reform Party. My wife and I visited one of the restaurants. We had an excellent seafood dinner, at the end of which I was presented with the bill. I looked at the bill and I said to my wife: "Do you realize you and I were not alone at this table? Do you realize there was a third party sitting here with us enjoying dinner? I am sure it was one of my good colleagues from the Liberal Party acting as a phantom".

When I looked at the bill there was GST at 7 per cent, there was PST at 8 per cent and then there was the 15 per cent tip. About 30 per cent of the bill was this third partner sitting at the table, enjoying the food, but taking it back to Ottawa. Not only is the government in the pockets of Canadians, it sits at our table every day, taking things away from us.

Now let us talk about the gas tax.

• (1715)

Let us talk about the excise tax in this bill where government is in our gas tank. It is unbelievable the percentage of taxes that are now in a litre of gas or a gallon of gas, whichever way you want to describe it. The percentage of take is unbelievable. When we drive up to the pump the government says: "You pay for your gas and we are taking this percentage of that revenue that was paid for the gas". If we compare that to what the retailer gets, the percentage is very minimal for the retailer.

After the new excise tax of 1.5 cents per litre of tax was put on, retailers said to me: "We must take that out of our percentage. We cannot increase the price any more. The competition is very keen at the street level. We cannot increase price. Where does the 1.5 cents come from? It comes out of our net profit".

Anyone who has been in the retail business relative to gasoline sales at the pump or has talked to retailers who sell gas from the pump knows the margin is very slim. Many of them say they sell the gas just to get the customer up to the door, that they do not make any money at it but have to make a gain on the other services.

By this bill and by its act earlier in the spring in the announcement of the budget, the government only hurt small business across this nation.

The chart sent out to all of us in this assembly reads: Where does your gasoline dollar go? The Government of Canada issued this statement on June 27, 1995. It shows gasoline prices right across Canada. In Vancouver a litre of gas is 59.6 cents and the taxes out of that are 48 per cent. The dealer gets about 5 per cent of it. In Calgary taxes are 43 per cent, dealer 7 per cent; in Regina taxes 49 per cent, dealer 6 per cent; in Winnipeg taxes 44 per cent, dealer 7 per cent; in Toronto taxes 52 per cent, dealer 5 per cent, which is even worse; in Whitehorse taxes 32 per cent, dealer 10 per cent, which is perhaps a little more reasonable and maybe that is the right place to live; in Saint John taxes 42 per cent, dealer 8 per cent; in Halifax taxes 48 per cent, dealer 6 per cent; in Charlottetown taxes 44 per cent, dealer 9 per cent; in St. John's taxes 47 per cent, dealer 7 per cent; in Yellowknife taxes 34 per cent, dealer 13 per cent.

The major portion of the gasoline price is excise taxes. We think there is a cow we can milk continually and increase that tax. I think we have milked it for everything we can. The 1.5 cents per litre is another nail in the coffin of many of the dealers across Canada and the retailer is suffering the consequences of this legislation.

I could talk about the consumer or the person who needs gasoline to go to work, to carry out business in and across Canada. Those people are hurt in a very drastic way. I have heard it being said by the Bloc members, I have heard it from the Liberal members, I have heard it from my colleagues here as Reformers that if we are to improve the economy of Canada it will be the small businessman. The small businessman will do it for us.

When we enact increases in excise tax of 1.5 cents per litre on gasoline it is obvious what that would do to small business across Canada. It only suppresses them. It does not allow them to have that capital to reinvest or to do other things. The government has made a move here contrary to the rhetoric I hear from the Minister of Finance who says the economy will grow, we will help small business and it will be the engine for our economy. I hear him saying all those things with the wave and the gusto of his arms. Here is a policy that cuts the cloth in a negative way.

• (1720)

How can we support this? We cannot. The Reform Party is against it. We will vote against Bill C–90.

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise to conclude on the government's behalf the section on Bill C–90.

Bill C–90 is just the legalization or legitimization of items covered in the 1995 budget in the areas of air transportation tax, excise tax on gasoline, and the marketing requirements for tobacco products sold in Prince Edward Island in order to sort the problems out there and to allow for sale the Nova Scotia marked tobacco products. As well, there is a seizure notification provision with respect to offences under the excise tax which will improve the efficiency and effectiveness of the enforcement activities.

This is basically a housekeeping bill that follows up and has to be done to legitimize and formalize our budget process. It also contains important changes with respect to the excise tax rates for tobacco products for sale in Quebec, Ontario, and Prince Edward Island. The amendment contained in this bill will give legislative effect to the modest federal excise tax increases that were announced earlier this year in conjunction with the provincial tobacco tax increases.

No one who sat through this modest tax increase likes it, but this kind of tax was a restructuring type tax. These taxes are necessary to sort out.

The air transportation tax will increase the maximum air transportation tax on the higher domestic and transborder air travel in Canada from $50 to $55. This is not a significant amount, but it would assist in underwriting the loss leading operations we have in running our international airports and the airports in Canada.

Gasoline taxes are needed to keep up the Trans–Canada Highway and other vital routes in the movement of goods and services in Canada.

The government taxes were modest in reference to the budget and were based on the need to service our airports and roads across Canada and to restructure some of the taxes in some of the provinces as well as the tobacco selling in Prince Edward Island.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the division on the question now before the House stands deferred until Monday at the ordinary hour of daily adjournment, at which time the bells to call in the members will be sounded for not more than 15 minutes.

• (1725)

Mr. Boudria: Mr. Speaker, on a point of order, I thought I heard the Speaker indicate that the vote would be at the hour of ordinary adjournment. I was under the impression we had agreed to have that vote at 6 p.m. In any case, I think you would find that is the agreement we had made and what we had indicated. There is already a vote at 6 p.m.

The Acting Speaker (Mr. Kilger): Is there unanimous consent that the hour be set at six o'clock?

Some hon. members: Agreed.

Mr. Milliken: Mr. Speaker, I think you might find consent to call it 5.30 p.m.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.) moved that Bill C–260, an act to amend the Criminal Code (replica firearms, theft, import or unlawful use of firearms) be read the second time and referred to a committee.

She said: Mr. Speaker, I have been involved with the gun control issue for almost three years, since the Reform Party asked me to chair a subcommittee on the issue in January 1992. Prior to that date I was blissfully unaware of the topic, since I was not personally affected by the legislation. Since then I have found it to be one subject that evokes a great deal of passion whenever it is debated. Much of the argument is dominated by those who take extreme positions on either side of the argument. That is probably why I was asked to chair the Reform Party subcommittee on the gun control issue.

I do not now own nor have I ever owned a firearm. I do not hunt, target shoot or collect guns, nor would I allow one in my house. However, having spent 15 years living in northern

Alberta, I recognize that for many people, especially those living in rural Canada, a firearm is a necessary tool in their daily lives.

With this background I set out with four colleagues to examine the question of gun control. I reviewed the legislation that is in place now. I received a number of briefs from organizations like the Gun Control Coalition and the National Firearms Association and countless groups in between. I spoke to Canadians from coast to coast to coast, pro and con. I learned very quickly there is little common ground and I admit that it is likely impossible to come up with a gun control bill that would satisfy everyone. The solution became a little more basic: to address the problems caused by firearms in our society.

With very few exceptions, the central concern everyone has about firearms is their criminal use. People are concerned about the number of crimes that are committed with guns. They are frightened about the apparent increased willingness of criminals to use guns, and they are terrified to hear about random drive–by shootings like the one that killed Nicholas Battersby here in Ottawa last year.

In other words, people wanted the government to enact legislation that would deter criminals from using firearms. In response to those concerns we heard the justice minister making statements last year that he believed only police officers and soldiers should have guns. One can imagine how legitimate gun owners felt when they heard comments like this from the new justice minister.

It was apparent that alternative legislation needed to be drafted. I approached the police and crown counsel and asked them what legislation they needed to assist them in combating the illegal use of firearms. I listened to the current shortcomings of section 85 of the Criminal Code and heard how these weaknesses had led to charges under section 5 frequently plea bargained away. I felt that with improved legislation in section 85 we would be taking a giant step in deterring the criminal use of firearms. On June 15, 1994 I introduced Bill C–260. I remind the House that the government's Bill C–68 was introduced eight months later on February 14, 1995.

• (1730)

Bill C–260 addresses the weaknesses in section 85 and creates new offences for the theft and possession of stolen firearms, the illegal importation of firearms for criminal purposes and makes an individual who illegally sells a firearm that is subsequently used in criminal offence a party to that office.

Under Bill C–260 anyone convicted of using a firearm in the commission of a criminal offence would receive a minimum five–year sentence consecutive to any sentence for the crime itself. For a second offence the penalty would increase to a minimum 10–years consecutive.

These minimum sentences would be a real deterrent for any criminal who chose to use a firearm. Not too many criminals would be prepared to risk that additional five–year minimum sentence.

Similarly, the new subsections created by Bill C–260 would also have had a deterrent effect. Today a break and enter conviction usually nets an offender probation or at most, a sentence of up to six months. However, if during that break and enter the offender happens to steal a firearm, that criminal would suddenly be facing a minimum three–year prison sentence, an effective deterrent, as is the minimum three–year sentence for those illegally importing firearms for criminal purposes or illegal resale in Canada. The last subsection of the bill would make those individuals who provide the guns illegally to criminals responsible for their illegal acts. These individuals play an integral role in the commission of these crimes so they should be made a party to those crimes.

Another issue that the bill addresses is the inclusion of replicas in section 85. One reason that section 85 charges seldom succeed is the existence of replica firearms. Currently the crown must prove that the weapon used in the commission of an offence meets the legal definition of a firearm. This is only possible in those instance where the accused is immediately arrested with the firearm still in his or her possession or if a shot is actually fired during the commission of the crime. If neither of those things happens, the crown cannot prove it is a firearm and therefore, no conviction under section 85.

Bill C–260 just requires that the object used in the offence appears to be a firearm. The bank teller who has a firearm shoved in her face during a robbery is just as terrorized by a replica as she would be by a real firearm.

That is the bill, a bill that addresses the problem of the criminal use of firearms, a bill that could be called gun control and crime control. It is not what the government wanted. It wants to control the firearms in the hands of law–abiding citizens so the government gave us Bill C–68.

Only about 20 per cent of Bill C–68 deals with the criminal use of firearms, although the other 80 per cent of the bill will likely make criminals out of a lot of otherwise law–abiding firearm users.

While the section of Bill C–68 that deals with increasing the penalties for the criminal use of firearms has been loudly touted by the government as a get tough policy, it will in reality become a paper tiger.

In British Columbia today the average sentence for a criminal convicted of using a firearm during the course of a robbery is five years. Bill C–68 introduces a minimum sentence of four years. How is this going to deter anyone?

In addition, Bill C–68 introduces a new section to deal with replica firearms. The only problem is that it is now up to the crown to prove that the object used in a crime was either a firearm or a replica. In most cases it will be able to prove neither so the legislation will be used as infrequently as it is today.

I have no difficulty in defending my Bill C–260 compared to the Liberal Bill C–68. I targeted the criminal who uses a firearm during the commission of an offence. The government targeted the legitimate gun owner. This is an example of the basic philosophical difference between Reformers and Liberals. We get tough on criminals. The government gets tough on ordinary Canadians.

• (1735)

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, on June 13, 1995 the House gave third reading to Bill C–68, an act respecting firearms and other weapons. Bill C–68 is comprehensive legislation concerning firearms which has been extensively researched and debated by members of the House and the House of Commons Standing Committee on Justice and Legal Affairs. It is now being studied by the Senate Committee on Legal and Constitutional Affairs.

Bill C–260, which was presented by my colleague from British Columbia, who previously spoke, is a bill which I believe is basically similar to Bill C–68. Bill C–260 was introduced before the Minister of Justice introduced Bill C–68 and the hon. member might have introduced a different bill had the provisions of Bill C–68 been known to her at the time.

I want to examine the differences between the two bills. I will start with the issue of mandatory minimum sentences.

Section 85 of the Criminal Code now provides for a minimum term of one–year imprisonment for the use of a firearm in the commission of an indictable offence and three years for any subsequent offence, in addition to the sentence imposed for the underlying offence. The maximum is 14 years.

Concerns have been expressed with respect to the way section 85 has been operating because of the large number of charges which have resulted in acquittal or in the charges being withdrawn. Sometimes section 85 charges are withdrawn as a plea bargaining mechanism. Bill C–68 will address the problems relating to section 85 of the Criminal Code.

Specifically the bill states expressly under each of the 10 selected serious offences that the offender will be subject to a mandatory minimum sentence of four years imprisonment if the offender uses a firearm during the commission of the offence. The penalty for using a firearm is blended with the penalty for the 10 offences to which this applies: causing death by criminal negligence, manslaughter, attempted murder, causing bodily

harm with intent to wound, sexual assault, aggravated sexual assault, kidnapping, hostage taking, robbery, and extortion.

When in force Bill C–68 should eliminate the abuses tied to the existing application of section 85 of the Criminal Code, while Bill C–260 would not solve these problems.

I believe the intention of the hon. member is to get tougher on criminals who use firearms in the commission of an offence. In fact the minimum penalties found in her bill would treat offenders who use firearms to commit serious offences more leniently than Bill C–68. Her bill would simply subject all persons who commit offences with firearms, regardless of the severity of the crime, to a three–year minimum prison term, while Bill C–68 ensures that persons convicted of serious violent offences committed with a firearm receive, at a minimum, a four–year prison term.

• (1740)

Bill C–68 also addresses in a comprehensive and effective fashion the problem of replica and imitation firearms. Bill C–68 defines a replica as a device that is not in itself a firearm but is designed to resemble "precisely or with near precision a real firearm". In contrast a device such as a toy water gun that clearly does not resemble in the last detail a real firearm is not a replica but an imitation firearm. Because replicas are virtually indistinguishable from real firearms, their future sale, purchase and importation will be strictly controlled under Bill C–68 while imitation firearms, such as toy water guns and the like, will continue to sold in stores.

When it comes to a crime, the potential danger is very high, whether a real firearm, a replica or an imitation firearm is used. Bill C–68 will solve evidentiary problems which now exist because of the current section 85 in the Criminal Code. Section 85 encompasses only real firearms. Bill C–68 will include within section 85 real firearms, imitations and replicas.

Bill C–260, presented by the hon. member, would punish offences committed with replicas but not with imitation firearms. Moreover the bill would do nothing to control dissemination of replicas in Canadian society. In effect, Bill C–260 would only come into play after someone had been hurt or killed while Bill C–68 includes preventive action against violent crime by controlling the availability of replicas and imitations.

I will speak to the new offences that the hon. member proposes to add to the Criminal Code. The actions the hon. member seeks to criminalize are already included in Bill C–68 or in the current Criminal Code. For instance, clause 96 of Bill C–68 makes it an offence to possess a firearm or other weapon that the person knows was obtained through the commission of an offence.

As well, the Criminal Code currently contains an offence for theft and clauses 103 and 104 of Bill C–68 already include offences for illegal importation of firearms. These clauses also include illegal exportation of firearms and therefore are more comprehensive than the ones proposed by the hon. member.

Bill C–260 presented by the hon. member would increase the mandatory minimum sentence for these two offences from one year to three years' imprisonment. The House indicated it to be an appropriate punishment for various firearms offences in Bill C–68 that a one–year minimum sentence is stiff, demonstrating the potential lethal nature of firearms and the danger their illegal and unsafe possession pose to Canadian society. At the same time it is not so harsh as to encourage judges and juries to find ways around them where some sympathetic factual circumstances exist.

These minimum sentences are very important. We want to send a message about the illegal use of firearms.

Keeping people in prison is costly and raising minimum sentences from one to three years, as the hon. member suggests, would cost Canadian taxpayers an enormous amount of money. Moreover, where the facts warrant I am confident that judges and juries will impose harsher sentences. We have to have some faith in our judges and juries. There is a role for minimum sentences but basically the length of the sentences and the incarceration must rest with our courts.

• (1745)

The hon. member proposes to make a person who improperly sells a firearm liable for subsequent criminal actions committed by the purchaser of that firearm. In other words, a person who does not check for a firearms licence before selling the firearm would not only commit a serious office of illegal transfer but if the buyer commits a murder Bill C–260 would make the seller liable for the murder or murders as an accomplice, even though the seller knew nothing of the purchaser's murderous intentions. Such a result seems to me to be out of proportion with the seller's culpability.

Moreover, based on the jurisprudence of the Supreme Court, it would also be contrary to the Canadian Charter of Rights and Freedoms because criminal liability would not be imposed, not on the intentions of the accused to commit criminal acts and the

actual doing of these acts but also on the actions that the person did intend and did not foresee.

I cannot support that provision. There are severe penalties in Bill C–68 for illegal transfer. These penalties do not have the risk of contravening the charter of rights and freedoms.

I appreciate what the hon. member is proposing. A lot of what she is proposing is included in Bill C–68. The areas that are not I do not think add anything other than potential contraventions of the charter and completely reducing the authority of our courts in very important areas.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, we just heard how Bill C–260 has been taken care of by government Bill C–68, a bill that I am not at all convinced has done much good for Canada.

The member for Surrey—White Rock—South Langley has produced a bill very specifically directed at the criminal misuse of firearm. This is where Canadians hope we will direct our efforts. Reformers want cost effective gun control directed at criminals that will be complied with by the Canadian population.

A couple of weeks ago I had an opportunity to be in Labrador and to exchange ideas with a number of individuals. Labrador is a spot where there are few people in a very large area, some 33,000 people. Virtually everyone in Labrador has a firearm, every home has a firearm. I was fascinated to listen to their responses to Bill C–68 and how they received it. They received it much like the people in my own home community, with some suspicion and some misgivings.

A fellow told me a story. Members of the RCMP used to do their policing in Labrador. The Newfoundland constabulary came in and replaced them. The new constables gave out tickets very regularly for putting a shotgun on one's shoulder and driving it out to the tundra on a snowmobile. They could not believe their ears. They wondered how else they were to get out to hunt the ptarmigan but with their shotguns over their shoulders and off they go on their snowmobiles. What did the constables think they would do? This was a normal reaction for people in Labrador. They resisted the constables. They said: "You cannot give us tickets for that. We will all be law breakers".

If somebody carried a shotgun over his shoulder down Bank Street he would be considered a criminal. It is inappropriate in this community. What I am getting at is that the individuals in Labrador have a very strong need for firearms. Giving them tickets and putting them under Bill C–68 for an activity that is normal for them is foolish. They reacted with surprise. They reacted with frustration. They reacted with resentment. They would not comply.

• (1750)

On Bill C–68 I had individual after individual tell me they would not comply. They would not register their firearms. They all agree with the portions of Bill C–68 directed toward criminal misuse. They virtually all disagree with that portion of the bill directed at gun registration.

How did they respond to Bill C–68? They said their member would not listen. They said when they phoned his contact person he argued with them and did not listen. They said their member of Parliament voted against their wishes. They said they could bring him there for a forum with 33,000 Labrador residents who would tell him unanimously that they do not want this bill. This bill is not wanted in Labrador.

They started out puzzled. They then had disbelief that this could happen. Some government members listened to their constituents and were punished for following the wishes of their people. They asked me whether I thought what those members did was democratic and whether the punishment was undemocratic. Then they said that there was nothing they could do. One fellow said that my party was first off against gun registration. He asked if a member of my caucus was directed by his constituents to vote for it and what happened to him? He was given a hearty handshake for doing what he was elected to do, doing what he came to Ottawa to do, that is represent his constituents.

They were no longer puzzled with disbelief. There was a spark of hope, a spark of enthusiasm. They asked me what they could do, how to organize and how to approach Bill C–68 with a different group of individuals.

There was a very plain message there for the government. Canadians expect their representatives to listen to them and to follow their wishes, especially on a bill like Bill C–68 that was not discussed in the election campaign. There was no mandate for Bill C–68 during the election campaign. It would be entirely different if it was a big plank of the Liberal platform. It was not.

Whom can we listen to? We hear that the police support the bill. I want to tell a short story about a policeman. He started in police work some 25 years ago. He caught a guy with a gun in his trunk. He was pretty sure he had robbed a safe. He could not prove it, but the gun in his trunk gave him two years "in the clink", in his words. He is a pretty basic buy.

He had just retired as an RCMP officer. A couple of weeks before retiring he caught a bank robber. The guy shoved a 357 magnum in the mouth of the bank manager and locked him in the safe, scared him so bad that he quit his job. He was so frightened that he quit his job. He could not function as a bank manager any longer. The bank robber was caught. It was witnessed. There was no question. What did he get?

• (1755)

Ms. Meredith: Six months.

Mr. Hill (Macleod): He got an eight–month suspended sentence.

Officers in Canada tell me that Bill C–68 will not work unless the public supports it. We need laws in Canada against criminal misuse that will be enforced by our police and enforced strongly. Bill C–68 fails.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, it gives me a great deal of pleasure to speak on the bill presented by the hon. member for Surrey—White Rock—South Langley. I hope all members of the House recognize the merits of the bill and support it.

As Reformers we believe public safety is the number one priority. Our goal is to prevent violent crime while not unduly restricting the activities of legitimate firearm owners. I firmly believe the existing controls on law–abiding, responsible firearm owners are more than enough and no further controls are necessary to ensure public safety. I reiterate that I do not think further controls are necessary for law–abiding gun owners.

The bill focuses on the criminals who use guns and replicas of guns during the commission of crimes, not on law–abiding gun owners. The hon. member is to be commended for presenting such a common sense bill which focuses on the root cause of crime, criminals. The justice minister should take note.

The bill, if passed, will send a clear message to criminals that the use of guns in the commission of crimes will not be tolerated. It increases the minimum penalty for a first offence from one to fourteen years, as it is now, to five to fourteen years and the sentence is to be served consecutive to the sentence for committing the crime. On the second offence the penalty increases from three to fourteen years to ten years to life.

It sets out a new offence for the theft of a firearm punishable by a penalty of three to fourteen years. It states that subsequent sentences are to be served consecutively. That is a key difference between this bill and Bill C–68 where there is no consecutive sentencing but rather concurrent sentencing. For that reason those sentences are not really what is indicated.

As well the bill provides for a new offence for unlawful importation of firearms for the purpose of selling or using them in the commission of an offence. The penalty is three to fourteen years. This common sense bill will help to prevent and deter crime.

Why am I so sure of what the bill will accomplish? As I said earlier, it focuses on the root cause of crime. How many times have we heard the Liberals talk about focusing on the root cause of crime? Usually the root cause of crime according to the Liberals is a whole series of things having to do with the background of the criminal. However the root cause of crime is one thing, the criminal, and the bill focuses on the criminal.

Once again I am reminded of Ted Byfield's editorial in the September 11 issue of the Alberta *Report*. In the editorial he refutes the notion that criminals are not responsible for their actions and that society is to blame. He cites the example of New York City and the dramatic decrease in crime experienced as a result of a police crackdown on petty crimes.

The police took the advice of two criminologists—it is very unusual to group criminologists together—who believed that cracking down on so–called petty crime would send a message on what behaviour would or would not be tolerated. The new chief of police in New York City focused on the root cause of crime, the criminal.

• (1800)

When the experiment worked, and it worked extremely well, the old school criminologists were less than pleased because it meant that crime is somehow a voluntary action and therefore the criminal can control what he or she does, contrary to what the Liberals have been saying for some time in the House over the past 30 years. This completely blew their theory that a criminal is not responsible for their actions right out of the water.

I relate this bill back to Bill C–260. This bill focuses on what I also believe is the root cause of crime, criminals. This bill sends a clear message to criminals that the use of guns in the commission of a crime will not be tolerated.

Thinking about this common sense bill I am reminded of the other gun legislation debated in the House quite a lot over the past year. That legislation, Bill C–68, focused on guns and law–abiding citizens who use and own guns. The cornerstone of this legislation, the national gun registry, will not affect criminals.

I know of very few criminals who will register their guns. Instead of dealing directly with criminals, the justice minister's legislation ignores the criminals completely and concentrates on the law–abiding citizens.

Should not the purpose of legislation be to deter and prevent crime? If this is the case it will come as no surprise the Liberal gun control bill will not help to reduce or deter crime. The justice minister on several occasions has been asked to demonstrate to the House that the gun registry would actually reduce crime.

Despite repeated requests in the House during debate, during question period and by letters from groups in my constituency and in other constituencies across the country the response from the justice minister has been that the answer should be sufficiently obvious. This is his favourite phrase. It should be sufficiently obvious that a gun registry will help to reduce crime.

I wonder who it is sufficiently obvious to. Certainly not to the people who talk to me in my constituency and right across the country, most recently in Prince Edward Island. The people of

Prince Edward Island made it abundantly clear to me last weekend they do not see the connection between a gun registry and preventing crime as being sufficiently obvious.

I have an article from the *Globe and Mail* dated September 20 entitled "Gun registration won't stem crime":

> A federal council on crime and safety supports universal gun registration but doubts it would do much to stamp out criminal activity. The national crime prevention council said that it backs the federal gun bill, including the plans to register all owners and their firearms.

The crime prevention council is a group of Liberal appointees. This is a quote from the submission from this Liberal group: "The system is, however, a costly and complicated proposal which may have a relatively limited impact on the prevention of criminal activity or victimization". This is from a submission by this Liberal commission—Liberal thinking at its best. I have heard an awful lot of that over the past few months in the House.

This clearly sums up the difference between the Reform Party and the Liberal Party and their special interest groups. Reform targets criminals who use guns; the Liberals make criminals out of law–abiding citizens. On the one hand the government has presented us with a bill that wants law–abiding gun owners to register their guns. These same law–abiding gun owners will face punishment if they do not register their guns, and many of them will not register their guns. No government can force people to obey a law they never wanted. Who asked for this law?

• (1805)

Bill C–260 is a common sense bill which focuses on criminals who use a gun in the commission of a crime. It sets out harsh penalties for the offences and thus sends the message that this type of behaviour will not be tolerated.

I am proud to support the bill, presented by the hon. member for Surrey—White Rock—South Langley. I thank her on behalf of Canadians across for the effort. I look forward to support from all parties.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, a few months back when I was in Kelowna one of the Liberal members and I debated Bill C–68 in front of a crowd of about 400. I felt sorry for her because there were no supporters at that gathering for Bill C–68.

Before the debate started they brought in an RCMP officer who went through section 85. The officer wanted all the people to know what was now in the law pertaining to guns. It took him over an hour to go through all the laws related to guns presently in the Criminal Code. I could not believe all of the things that apply not only to criminals but to law–abiding people. I commend my colleague from British Columbia for being able to find a flaw in there which really addresses what we need to address, the criminal. I applaud her for coming out with this bill long before we saw Bill C–68.

Her bill is pretty small but it has a lot of meat in it. She probably has an underpaid staff that did a little work and managed to come up with it. The enormous justice department managed to come out with about 190 pages. It called it Bill C–68, the answer to all our problems. It was accomplished by who knows how many highly paid senior bureaucrats, probably all with many degrees in law. They are brilliant people who suddenly out of the blue sky had all the answers to our problems regarding law and order. They would straighten it out.

When I remembered that presentation by the RCMP officer I found it unbelievable how many laws were already on the books. Really what makes it most unbelievable is to come out with a new bill of which 80 per cent applies to law–abiding people.

All this morning and yesterday we debated amendments we wanted to make to Bill C–45. We wanted to get restitution for victims. No, said the Liberals. That did not pass. We wanted to have a review of parole decisions which were not good. A mistake was made, the guy was paroled and he killed again. We think there should be a review. No, said the Liberals. They were little common sense things we wanted to do for the victims, for the innocent of the country.

Instead the Liberals came out with about 190 pages, 80 per cent of which attacked the innocent and the potential victims. Instead of addressing the criminal in all of those pages, with all the high paid lawyers working in the justice department, all of these geniuses, all of these champions of the people, they came out with that while my colleague and a couple of staff came out with something which absolutely makes sense and which I guarantee Canadians want. It attacks the criminal. I really applaud her.

• (1810)

My colleague says it is just duplicating what is there. This bill was presented eight months before Bill C–68 probably was even thought about. I take that back. It had to take those bureaucrats at least a year and a half to make that bill. After all, we have to keep them employed. That is part of job creation, to put a bunch of gobbledegook together and sell it to the public and then sit back and blow your horn that you have really done a great thing.

We are trying to address crime. We are trying to fight criminals. My colleague across the floor talked about how it costs so much money to keep these people in prison. It is such a burden and we cannot afford it. I did a little research from the solicitor general's department. In federal prisons about 65 per cent are violent criminals and 35 are not. In provincial prisons it is the reverse.

With my little back in the mountains brain I tried to calculate that and it sounds like it comes out about half and half. Fifty per cent are violent and 50 per cent are non–violent.

Then I remembered the years I worked voluntarily in prisons, counselling and trying to help young people particularly. A number of 18 and 19–year olds in there were not violent. I could not understand why they were sentenced to prison for as long as they were because they were not violent. There were better things we could have done with these young people. The amazing part about it was most of these young people were in jail because they had a drug problem. If they were not into drugs they would not have been in the problems they were.

What is our justice system doing? We are putting those kinds of people behind bars, we will rehabilitate them, fix them up. Guess what? As I visit every prison across the country I find out by talking to inmates and guards, as will anybody on that side of the House if they do the same, that it is 10 times easier to get drugs in a prison than it is on the streets of the communities.

We have a drug problem. We are putting them in a situation in which it is easier to get drugs than anywhere else. Then six or seven years later we will put them back on the streets. They have gone through *X* number of programs because they know how to jump the hoops, but we have not taken the drugs away because we cannot control it.

That is not the Liberal way. Let us not get tough on things like that. Let us come out with a big document that says: "You farmer, you duck hunter, you rabbit hole shooter, you gopher shooter, you are the guys we will have to take care of. You have to start registering these things. It is a problem".

The next day we hear the Ontario attorney general saying: "Good grief, the trucks are coming through. We are not stopping them. They are being driven by criminals". They do not even know what is in them. Probably guns.

Then we go out to another border and the boats are coming across with nobody to stop them. The standing orders are if the boat sets at this angle it has probably got booze. If it is at this angle it has probably got guns. If it is at this angle it has probably got drugs. They have no way of controlling it.

To produce Bill C–68, which will to do nothing about those kinds of problems, it will probably cost millions. Why not put those millions into border patrol and starting fight crime? That is what the member is wanting to do with her bill. Start fighting crime and quit being so picky over replicas. Walk down the street sometime and if somebody comes up behind you and you do not see them and they stick a pencil in your back and say: "Give me your wallet or I will shoot", I will guarantee you will go through a trauma. It might as well be a .38.

It is the actions they do, these kinds of people. It is those kinds of people we want. Let us get them into jail. Let us look for alternative programs for those who do not belong in there. Let us genuinely start helping those who are helpable and let us start putting those away who are violent and dangerous and keep them where they belong. It would probably save lots of money there as well.

Do not write any more documents. That is enough of that. All morning long the victims were denied help from the government. All afternoon on Bill C–45 victims were not even talked about by this government. Thirteen Reformers stood in the House and defended the rights of victims. Not one on that side stood and did the same. Instead they voted all those motions down.

I just bet they will vote this motion down. I will bet on it right now, because it just makes sense. It is what Canadians want. They do not use their heads. They listen to the little front row people. Their strings are pulled, the puppets jump up, and they support. That is what has to stop. I am tired of it. Canadians are tired of it. Let us get to work. Let us start fighting crime and quit being so ridiculous.

Ms. Catterall: Mr. Speaker, I rise on a point of order. Debate throughout this day and particularly the speech we just heard and the final remarks from the member for Wild Rose have been permeated with questioning the motives of other members of the House. I believe that is contrary to proper procedure in the House.

I ask, Mr. Speaker, that you take that under consideration and report back to the House on whether members should be encouraged to avoid questioning the motives of other members.

I have a side comment. The other side again made the same error, I believe, accusing me of having a guilty conscience. I go home and I sleep just fine at night, thank you very much.

The Acting Speaker (Mr. Kilger): I thank the hon. member for her intervention. I have been following the debate very attentively. My recollection also allows me to think back to a few months ago when a debate on the same issue raised some very strong views. I find the comments made today were a matter of debate and not a point of order.

There being no further members rising for debate and the motion not being designated as a votable item, the time provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper pursuant to Standing Order 96.

Mr. Boudria: Mr. Speaker, I think the House would consent to calling it 6.30 p.m.

The Acting Speaker (Mr. Kilger): Is there unanimous consent to see the clock as being 6.30 p.m.?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): It being 6.30 p.m., the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24.

(The House adjourned at 6.18 p.m.)

HOUSE OF COMMONS

Friday, September 22, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from September 19 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee; and of the amendment.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I am continuing on from my speech which was interrupted by a vote on Tuesday.

The environment minister claims MMT contributes to sparkplug failures, in particular a type of sparkplug manufactured by General Motors. GM claims there were more warranty complaints against one of its single engine sparkplugs in Canada than in the U.S. and MMT was to blame. However, studies conducted by the Southwest Research Institute demonstrate that a short circuit problem occurs in the brand new plugs and it has nothing to do with MMT. It is also important to note that GM has since withdrawn the sparkplug in question from the North American market. Therefore, in short, that argument does not hold any weight.

What we seem to be missing on this issue are the facts. The Canadian Petroleum Producers Institute has called for the environment minister to allow industry to examine MMT and its impacts in a fact based joint assessment which would be conducted by PPI and the automakers; in other words, get the two players in the same room.

Why has the government refused to call for or conduct an independent technical review? The largest fuel additives testing program in history conducted over five years for the U.S. EPA concluded MMT poses no problems for vehicle emission systems.

In addition, the recent decision by the U.S. court of appeals determined that MMT does not cause or contribute to a failure of any emission control device or system. The EPA testing program looked at MMT's effects on catalytic converters, onboard diagnostic systems, exhaust systems and sparkplugs among a variety of other factors. The EPA concluded MMT passes the most critical of tests with a comfortable margin.

As a result of the U.S. EPA testing program, MMT may be introduced in the U.S. by the fall of 1995. Why then are we banning it in Canada when the government has stated it wants a uniformity of standards with the U.S.? The result of the U.S. court decision alone would be sufficient reason for the government to withdraw Bill C–94.

We need to look closely at why we are being asked to consider banning interprovincial trade in MMT. This proposed ban clearly contradicts Bill C–88 which is intended to remove barriers to international trade and constitutes unilateral interference into interprovincial matters. We need to have some solid evidence before making such a move.

Bill C–94 must be examined more thoroughly by the industry committee. As it stands we are still left with more questions than answers. Without any legitimate answer from the government the bill cannot be justified.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am pleased to have the opportunity to participate in this debate on the second reading of Bill C–94 and more particularly on the Reform Party amendment proposed by the member for Calgary North who does not think we should proceed with Bill C–94, an act to regulate interprovincial trade and so on. She thinks the bill should be withdrawn and we should merely refer this issue for further study before a parliamentary committee. I would like to speak to that for a moment.

• (1005)

Every now and then the Reform Party in its wisdom tells us we should not procrastinate, delay things, debate them too long, that we should move on with things. I heard profound speeches from hon. members of the Reform Party yesterday, at least as profound as we can get from Reform members, admonishing the government and all of us, asking us to pass legislation more quickly. What is the first thing they do? They propose an amendment asking that we not proceed with this bill.

Let us get to the subject matter of the bill to determine whether the Reform Party is correct in what it wants. What does the bill do? The purpose of the bill is to prohibit the import or the interprovincial trade for commercial purposes of MMT or anything containing MMT. What does that mean? It means that particular additive to gasoline would not be permitted.

I suppose the next question is does everyone not use MMT? It is not used in hardly any country except ours, and I will get into more specific details in a minute. Could it be that if it is not good enough for anyone else then perhaps we should consider banning that product as well?

Some people will say it is used in a variety of countries. The Ethyl Corporation put an ad in newspapers yesterday or the day before saying it is used in some countries and gave the examples of Brazil and New Zealand, I believe. It is used there and let it not be said it is not used anywhere.

I did not keep the advertisement in question because I thought the corporation's own sales pitch made the reverse argument of what it was trying to prove. It was saying it was not true that it was not used anywhere, that it was not used just about everywhere. I thought that reinforced the argument most of us believed in.

MMT should be banned for a number of reasons. The product in question has been known to have effects which are offensive to the health of people. That is why it was not used in many countries. That is why it is still not used by most nations. The question we should ask is does it make it any better if we keep the product? No, that does not work either.

The hon. member for Bruce—Grey the other day gave us a very important speech on this issue. He is very knowledgeable in the area. He taught that subject matter as a teacher and knows much about it. He told us why the attitude of some people with regard to this product is totally wrong.

An hon. member: We should get Reform to read it.

Mr. Boudria: Yes, we should get Reform members to read the speech of the hon. member, although I am sure most members would want to read all speeches from the hon. member for Bruce—Grey because they are so very eloquent.

Coming back to the matter in question of MMT, we in this country use that product. It is an additive to gasoline. It is an octane enhancer in effect but there are other octane enhancers we can use. For instance, ethanol can and has been used to provide the same kind of octane enhancement. I know ethanol cannot be a total replacement but that in itself along with other initiatives proposed by the Minister of the Environment assists the agricultural area, helps to clean up the environment and rids us of the product known as MMT.

• (1010)

[*Translation*]

I see that the member across from me disagrees; he says that is wrong. Well if the hon. member thinks so, he may be able to convince U.S. authorities and all the other jurisdictions in Western Europe, etc. All those countries are probably wrong while the hon. member is right. I am sure that many would have different opinions on this matter.

[*English*]

People ask whether sparkplugs are affected by MMT. Auto manufacturers have reported there is a greater incidence of sparkplug failure in Canada compared with similar product offerings in the United States. Sparkplug failure and other problems of that nature which are caused by the use of MMT affect automobile performance. Cars that do not perform well waste more gasoline, pollute more and so on; it is a chain reaction.

It is interesting to note that the maintenance schedule which includes tune ups and so on for the brand of car I drive is substantially different in Canada from the United States. Why does a car have to be tuned up less frequently in Minnesota than in Ontario or Manitoba? There is no logical reason save perhaps what is used to propel the car is different and maintenance may be required more in one jurisdiction than the other. We are told precisely by auto manufacturers in the instance of sparkplug failure that there is greater wear on sparkplugs and a greater incidence of failures where MMT is used compared with where it is not.

Mr. Milliken: Why did we not do this years ago?

Mr. Boudria: I do not know. The hon. member for Kingston and the Islands has put it very eloquently by asking why we did not do this some time ago because the product was banned in the United States a long time ago.

[*Translation*]

I do not know. Of course, for almost a decade, we had a government that was very much like the Reform Party in front of us, namely the Tory government, and that probably did not help.

Today, we have the opportunity to right this wrong by adopting measures to clean up the environment. I know that the former Minister of the Environment, the hon. member for Lac–Saint–Jean, who is a great environmentalist, will want to vote in favour of this bill, as will all other parliamentarians concerned about cleaning up our country's environment.

In conclusion, I ask all my colleagues to vote in favour of the bill tabled by the hon. Minister of the Environment and against the amendment put forward by the hon. member for Calgary North, who is once again demonstrating the Reform Party's systematic and systemic efforts to block any worthwhile initiative aimed at cleaning up this country's environment.

[*English*]

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, thank you for the opportunity to speak to this issue again. I listened to the members from the opposite side and I am absolutely amazed at the blatant untruths that are being spewed forth from members opposite. I have studied this issue very carefully and there is simply no independent evidence to support the statements we have just heard being made.

There is all sorts of evidence to support exactly the opposite. The Canadian Department of Health did studies and concluded there was absolutely no detrimental effect to the health of Canadians or anyone else by using MMT. That is simply factual evidence. The government continues to spew forth studies from the Canadian Automobile Association which it refuses to release to the public and so we can neither deny nor verify them. It is simply not true.

• (1015)

I fail to understand what is really driving the agenda. We heard some comments about the ethanol industry and how we should give the industry a leg up, which I suppose means subsidization of an industry that cannot compete on an equal playing field. We certainly do not support that kind of initiative. If the ethanol industry can exist viably without taxpayer subsidization then good for it. We wish the industry all the luck.

In speaking with the refiners in Canada that refine and formulate our gasolines, they assure me that even if MMT were banned ethanol would not replace MMT as a gasoline additive. The only thing banning MMT would do would force refiners to be more intensive in their refining process, to use more crude oil, to refine it further, causing higher CO_2 emissions, higher benzene emissions and higher sulphur emissions. Again those facts simply do not back up what is being said.

There was some debate when I spoke the other day on this matter about whether the minister had met with Ethyl Corporation, the other side of the issue. I specifically said she has consistently refused to meet with both sides of the issue to discuss it and to listen to all the facts. After having spoken on it and after having had the debate with members opposite I checked to make sure I was correct. The Canadian Petroleum Products Institute wrote to me. It also wrote to the Parliamentary Secretary to the Minister of the Environment. The letter reads:

> I listened with interest to the second reading debate on Bill C–94 and while I do not agree with your position in this matter, I appreciate your interest in this subject. I would, however, like to address one issue you raised with the member from Athabasca, Mr. David Chatters, during the question and comment period following his speech.
>
> Mr. Chatters quite correctly pointed out that Minister Copps has refused to meet with representatives of Ethyl. In reply, you stated twice that the minister met twice with CPPI as a representative of Ethyl, on this issue.
>
> I want to be completely clear on this point. The Canadian Petroleum Products Institute does not now, nor has it ever, spoken on behalf of Ethyl Canada or Ethyl Corporation. Ethyl is not a member of CPPI, as membership is limited to producers and marketers of motor gasoline.
>
> Representatives of Ethyl have met once with the minister's staff and have met on a few occasions with departmental officials. We have asked for, and been refused a meeting with the minister.
>
> I would ask that you correct this statement at your earliest opportunity.

Clearly there is a lot of confusion, a lot of misinformation and a lot of untruth surrounding the issue. The government repeatedly claims to promote the reduction of interprovincial trade barriers and to promote trade between the provinces. On the issue the minister of the environment for Alberta said: "It is unclear that the removal of MMT from gasoline has a net environmental benefit. Alberta favours the design of a suitable binding process to resolve the dispute in a fair and timely fashion. An open multi–stakeholder review of the environmental and economic merits of MMT should be key to the dispute resolution mechanism to credibly solve the vehicle fuel compatibility issue".

I have a letter from Michael Shaw, deputy minister of the environment and resource management for Saskatchewan, to Mel Cappe, deputy minister of Environment Canada, which reads:

> The Motor Vehicle Manufacturers Association has not convinced Saskatchewan and the majority of the provinces that there is any evidence to show that MMT has an adverse effect on the onboard diagnostic systems.

It continues:

> We are also concerned with the impact this decision has on the Consumers' Co–operative Refineries Limited—in Regina. CCRL has advised us that refining costs will increase in the order of $500,000 annually if MMT is banned. We have difficulty rationalizing this cost with no identifiable benefits to air quality by this action.

• (1020)

I have a letter from the minister of the environment for Nova Scotia, Wayne Adams, which reads:

> We have recently expressed concerns to the federal Minister of the Environment's stated intention to legislate a ban on the use of this additive.

The Canadian Council of Ministers of the Environment has established a task force on cleaner vehicles and fuels. The mandate of this task group includes the development of options for setting minimum standards for reformulated fuels as a measure to improve air quality. The assessment will be done in such a way as to provide a national approach and the continued use of MMT in Canada will undoubtedly be one of the issues

reviewed. The results of an independent study and the benefits and detriments of MMT would undoubtedly be considered.

David Wilson, the provincial minister of the environment for New Brunswick, said: "It seems there are two opposing views on the value of MMT to the environment. Perhaps an independent review is warranted".

Norman Brandson, Manitoba's deputy minister of the environment, said:

> The potential negative impacts or positive benefits arising from the continued use of MMT as an additive to unleaded fuels seems to be an issue that includes comprehension of significant technical information. There needs to be a resolution that will be in the best interests of the environment and the consumer, for both the short and long term.
>
> It would be much preferred that this issue could be resolved directly between the industries involved (the manufacturer of vehicles and those providing the fuels for those vehicles).

I would hardly deem that as support for the initiative from the provinces.

Again we go back to the statements that are being made on the issue continually from the opposite side of the House. Again I reiterate that I cannot understand what is driving the agenda because the evidence is so clear and indisputably against what the government has been saying on the issue.

The Minister of the Environment said:

> Some companies have indicated that, rather than accept the possibility of increased warranty repair costs, they may disconnect OBDs or reduce vehicle warranty coverage unless steps are taken to remove MMT from unleaded gasolines in Canada.

That simply is not a valid statement. In blaming MMT for the onboard diagnostic problems the automakers have not disclosed that the automobile industry has experienced substantial technical difficulties in complying with the onboard diagnostic II requirements in the U.S. where MMT is not currently being used and has not been used for 18 years. It is not MMT that is causing problems with the onboard diagnostic equipment. It is simply that the technology has not been perfected and developed to the point where it is reliable.

Another statement by the minister reads that removing MMT "will ensure that the most up to date equipment used to reduce air pollution with will not be jeopardized by components in the fuel".

That comes from the Environment Canada news release on May 19, 1995 and is simply not true. The automakers are blaming MMT for onboard diagnostic problems with certification that I spoke about before. The government has blindly accepted that argument without any studies or without any facts, or at least without any independent studies of the auto making industry.

The next statement reads: "The automobile industry is convinced that MMT has an adverse effect on the operation of vehicle emission control components including sophisticated onboard diagnostic systems". That statement is also from an Environment Canada news release May 19, 1995. It continues: "The automobile manufacturers have failed to demonstrate any adverse effects related to MMT and have not disclosed onboard II certification problems in the U.S. Most of the Motor Vehicle Manufacturers Association information on onboard computers has been previously rejected by both the U.S. Environmental Protection Agency and the U.S. court of appeals".

Before the end of the year MMT will again be used in the United States, which would mean that if we are to achieve formulation compatibility between the two countries, as was the wish of the Minister of Industry, we would then be required to leave MMT in the formulation rather than remove it.

If one cares to look at the evidence—and it does not seem to be very important in the debate that is taking place—there simply is no strong independent evidence that MMT has caused any of the problems we spoke about.

• (1025)

It is very important that we step back, take another look and do some independent studies in the time we have before the product is again released in the U.S. to verify this argument one way or the other. That is a reasonable request and one based on the evidence before us.

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, first and foremost, following the Reform member from Athabasca, he should check his facts because when he refers to factual statements by the New Brunswick environment minister he should at least get his name straight.

[*Translation*]

The federal government took a decisive step to protect the environment, jobs and consumers and to ensure Canada remains a leader in automotive technology.

[*English*]

Bill C–94 will prohibit the import and interprovincial trade of MMT, a manganese based fuel additive manufactured in the United States. The proposed bill, to be known as the manganese based fuel additives act, will come into effect 60 days after it gains assent.

[*Translation*]

Only in Canada is MMT added to unleaded gasoline. The United States banned MMT from their unleaded gas in 1978. Bulgaria and Argentina are the only other countries interested in using it. Why is MMT not used in a larger number of countries? Because MMT impedes the functioning of emission control devices on modern cars and trucks.

Environment Canada has received and reviewed many studies on the effects of MMT on this kind of system. I agree with Ford, Chrysler, General Motors, Toyota, Honda, Subaru, Nissan, Mazda, Mercedes, BMW, Volkswagen, Volvo, Saab, Lada, Jaguar, Land Rover and Hyundai, who all say that MMT impairs the operation of state–of–the–art onboard diagnostic systems, or

OBD systems, where the vehicle's emission control device is located.

[*English*]

These systems are extremely important for the environment. They are responsible for monitoring the vehicle's emission control and for alerting the driver to malfunctions. They ensure that the clean burning engines of today and tomorrow operate as designed. They ensure that automobiles are properly maintained, resulting in decreased tailpipe emissions and improved fuel economy.

In other words, it is one more important tool to help us address air pollution, including smog and climate change.

[*Translation*]

The government will not let MMT prevent the Canadian automotive industry from designing vehicles that are much less polluting. Our environment and Canadian consumers deserve that the best emission control systems be used.

[*English*]

Yet the Ethyl Corporation, the manufacturer of MMT, and its subsidiary Ethyl Canada refute the vehicle industry allegation about the ill effects of MMT on the vehicle emission control systems and make a counterclaim that MMT is environmentally beneficial.

What is certain is that our efforts to reduce motor vehicle pollution can no longer be addressed by just the petroleum industry, the auto industry or the federal government. Progress at reducing vehicle pollution requires simultaneous action by all. The petroleum industry needs to keep making improvements in the composition and properties of the fuels the engines burn.

The auto industry needs to keep making improvement in vehicle emission control technologies such as those offered through onboard diagnostic systems. The government needs to take decisive action such as Bill C–94, which removes a major obstacle to the introduction of these technologies.

• (1030)

However, our strategy to reduce vehicle pollution goes beyond just taking action against MMT. The federal government is doing its part because we know that automobiles are a major contributor to climate change and urban smog as well as some toxic pollutants like benzene.

In a recently released task force report done by Canada's deputy ministers of the environment, it is noted that even with the improvements in emissions technology, vehicles are still the largest contributors to air pollution. On a national basis gasoline and diesel powered vehicles still contribute some 60 per cent of carbon monoxide emissions, 35 per cent of nitrous oxide emissions, or smog, 25 per cent of hydrocarbon emissions and 20 per cent of carbon dioxide emissions.

The report stresses the need I talked about earlier to proceed on all fronts simultaneously. It states: "Vehicle technology and fuel composition, although two separate industry sectors, must be treated as an integrated system in the development of policies and programs in order to successfully reduce emissions from motor vehicles". This is good advice. It should complement our work in preparing a comprehensive motor vehicle emissions control strategy which includes the adoption of more stringent vehicle exhaust emission standards. To meet these standards we are counting on integrating improvements achieved in emissions control technologies and fuels.

Clearly we cannot hope to meet these standards without the kind of action we are taking against MMT in Bill C–94. It is not an action of impatience. Since 1985 the federal government has waited for the automotive and petroleum industries to resolve the situation without legislation. It was not resolved. The time for waiting is over. It is now time for the government to act.

[*Translation*]

The government will not wait any longer and risk compromising federal vehicle emission programs just because both sides cannot come to an agreement. The government will not sit back while auto manufacturers take standard diagnostic systems on 1996 models off line or refuse to have them covered under car warranties because of the damage caused by MMT.

[*English*]

It is decision time. Last October the Minister of the Environment urged both industries to voluntarily resolve the issue of MMT in Canada by the end of 1994, otherwise the government would take action. This deadline was subsequently extended into February of this year to review automobile and petroleum industry proposals. The MMT issue is no longer an industry dispute. Its outcome can affect the vehicle emissions program that we are putting into place and in the long term it could also negatively impact the automobile sector.

A successful resolution of the MMT issue will ensure that environmental benefits are realized with the use of the most advanced emissions control technologies. It will ensure that Canadians are offered the same warranty coverage as in the United States. It will ensure Canadian motor vehicle emissions control programs do not diverge from those in the United States. This means Canadians continue to benefit from the cost and technological advantages of a North American harmonized fleet. It means Canada's auto sector will maintain its competitiveness.

I know some have expressed concern with our plan to prohibit the use of MMT in Canadian gasoline given a recent U.S. court decision to grant Ethyl a waiver to use MMT in unleaded gasoline sold in the United States. However, let it be perfectly clear that MMT still cannot be used in unleaded gasoline in the U.S.

Let us move ahead. Let us do it because we need new emission control technologies like the onboard diagnostic system.

[*Translation*]

We will not tolerate that Canadian consumers be denied access to the same pollution control technologies as their American counterparts because gasoline in the U.S. does not contain MMT.

• (1035)

We will not allow such a discrepancy to exist between Canadian and American vehicles.

The Deputy Speaker: I am terribly sorry, but time has run out.

[*English*]

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, the motion moved by my colleague from Calgary North is a logical one, a motion of practical sense.

I encourage members of the House to listen carefully to the debate. The motion is realistic and I urge the House to adopt it when it comes to a vote which I assume will be on Monday.

The title given the bill does not sound like one that should be sponsored by an environment minister. Bill C–94 is an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances.

Why is the Minister of the Environment so keen on the passage of the bill? When one sees something this discordant it usually plays out in the end, when all the documentation is finally exposed, that a short term political deal has been struck. Someone has the inside track and then much puffery is used to hide the intent.

The bill presented by the environment minister has nothing to do with helping clean up the environment. Consequently one has to ask what is really going on here. Few believe the minister, yet she proceeds with justifications. It is embarrassing to watch.

In theory one would expect that a minister of the environment would have little in common with car makers. After all, cars are the leading cause of smog. I suppose that when we look at where the minister resides the notion becomes a little clearer. Hamilton East is right in the heartland of auto makers central.

Not long ago officials from the Department of the Environment came to my office to explain the background of the bill. When they were asked what impact the bill would have toward helping the environment they had to admit it was slim to none and at best maybe only indirectly.

Some time ago I received an explanation of the onboard diagnostic systems that are said to sometimes not work when MMT is included in gasoline. According to the Motor Vehicle Manufacturers Association the 1996 cars are to be equipped with the latest technology but because MMT is still in Canadian fuel they simply unplug the sensor lights for the systems.

Canadians need to picture this. Canada's environment minister is banning the use of a fuel additive because a little part on a car is said to create a premature warning light to go on. Where is the national environmental concern here?

I am not disputing that onboard diagnostic systems may be beneficial. Politicians hoped they would make car pollution equipment more reliable so they ordered manufacturers to put them on. Consumers sure did not ask for it and the reluctant car makers also balked.

Car makers kicked back and designed a scheme to blame someone else for their technical failures and shortcomings and their unwillingness to pay. Let us be clear: OBDs do not regulate or control emission systems, neither do they clean anything. I think some people are assuming these devices will reduce pollution from our environment. It is just adding warning lights, or as we used to say idiot lights, on the dashboard that signal that the existing pollution controls are normal.

Imagine it, idiot lights for cars are a legislative priority of the Minister of the Environment. The minister likes lights on her dashboard, so she brings a $1 billion disruption to the Canadian petroleum industry to get a little lighted colour in her driving experience. When the public absorbs what the minister is doing I know what it will want to do to her lights.

In the United States the Environmental Protection Agency placed a moratorium on MMT in 1978. It was a raw deal by some American politicians and regulators that will eventually be corrected in the courts. So far the United States court of appeals found that the EPA did not have the evidence to prove that MMT should not be used.

Banning MMT in Canada is not an environmental issue. However it could very easily have been had Health Canada found it harmful but it did not. It could not, no matter how hard it tried. In fact Health Canada on December 6, 1994 issued a report entitled "Risk Assessment for the Combustive Products of MMT". It reported: "All analyses indicate that the combustion products of MMT in gasoline do not represent an added health risk to the Canadian population".

I am sure the minister would have liked to put the substance on the listed schedule under the Canadian Environmental Protection Act to please her friends, except Health Canada got in the way and made an unfavourable ruling.

• (1040)

If the minister could have banned MMT under CEPA she would not have needed this legislation. If the environment minister cannot prove this bill will directly affect the environment then I say this should not be an environmental bill.

The Minister of the Environment is telling Canadians the removal of MMT will significantly improve the quality of our environment. That is wrong, very wrong. The removal of MMT will increase nitrous oxide or NOx emissions by 20 per cent. That is why MMT is used. It is there to make gas burn cleaner, to help the environment. In case Canadians do not know what NOx creates, it is smog.

SUSPENSION OF SITTING

The Deputy Speaker: The sitting must be suspended until we find out what is going on.

(The sitting of the House was suspended at 10.41 a.m.)

[*Translation*]

SITTING RESUMED

The House resumed at 10.55 a.m.

The Deputy Speaker: Dear colleagues, as you probably know, there seems to be a problem in the basement.

[*English*]

The alarm system began. We have an extremely good alarm system, so we are all safe.

The hon. member has four minutes left in his intervention.

Mr. Forseth: Mr. Speaker, constituents of Hamilton East should know their MP has created legislation that will increase smog over Hamilton. The Canadian Petroleum Products Institute recently made a claim that removing MMT would be the equivalent of adding over one million additional cars to Canadian roads. That is what this environment minister is doing.

It is said that the onboard diagnostic sensors are put in cars essentially for consumer protection. Industry Canada's role is to protect, assist and support consumers' interests. It would only make sense this bill be made an industry bill and dealt with in a more technical light. If the bill is industrial rather than environmental, it should then go to the appropriate standing committee.

Further, the problem addressed in this bill is essentially a commercial dispute between two industries, the automobile manufacturers and the petroleum refiners. It is about who pays to reach the next level. The Minister of the Environment really has no business stepping into the fray of this marketplace decision and the deals and the manoeuvres going on in another country.

Last year the minister was pressured by the MVMA and therefore found a way to make the issue an environmental bill. Apparently representatives from General Motors, Ford and Chrysler met with the Minister of the Environment to discuss the banning of MMT. They told her that if MMT was still in gasoline in August 1995, a time when all new models would be released, they would do one of three things: raise the price of each automobile by $3,000; void sections of their car warranties; and/or close down some high technology Canadian manufacturing units. She could not because Reformers were here, and they did not do what they threatened to do because they lied in the first place.

The minister did not know and for that matter probably did not care what effects MMT had on the environment. She knew the MVMA has tremendous power. When it said jump, she asked how high.

Our motion is to change the wording of the bill so it reads that the subject matter be referred to the Standing Committee on Industry. The House has heard the Minister of Industry rise on questions related to the issue. He realizes that it is closely associated with his department. However, the industry minister did not take it on because it was too embarrassing a proposal.

The Minister of Industry has said he wants a uniformity of standards between the U.S. and Canada. He stated in the House on April 25, 1995 that "it is crucial that we have uniformity of standards. The efforts we have put into trying to ensure there was a voluntary agreement between the two sectors has been well placed, but finally governments have to decide".

The Minister of Industry wants our fuel to be the same as it is for various parts of the United States. He wants some uniformity. He may not have to wait very long. The United States is set to have the American MMT prohibition lifted some time before Christmas of this year. However, the Minister of the Environment is too committed down a certain path to thoughtfully do what is right. She is on a direct course to please her friends, play with her Canada, and leave us with all the bills.

All members of the House are honourable enough to evaluate what is really going on here. The Liberal backbenchers know what is going on. If there were ever a time to blow the whistle on the boss, it will be on Monday when we have a vote on the motion moved by my colleague from Calgary North. It is eminently sensible and appropriate to send this bill to the industry committee.

The Speaker: It being 11 a.m., pursuant to the standing order we will now hear Statements by Members.

S. O. 31

STATEMENTS BY MEMBERS

[*English*]

MACEDONIA

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the interim agreement just signed at the United Nations between Greece and FYROM, the former Yugoslav Republic of Macedonia, meets two key international issues raised by the Greek government: removal from FYROM's flag of Alexander the Great's star and removal from FYROM's constitution of apparent irredentist claims on Greek territory.

FYROM's name, a principal barrier to normalization of relations and co–operation between the two states, is agreed as a subject for further negotiation.

Canada's policy of non–recognition of FYROM until these issues should be resolved has contributed positively to the diplomatic negotiations now under way and should be maintained until a full, binding legal agreement is achieved, probably at the end of October.

* * *

[*Translation*]

BELL CANADA

Mr. René Laurin (Joliette, BQ): Mr. Speaker, after announcing that it would eliminate 10,000 jobs between now and 1997, Bell Canada refuses to use the voluntary departures of 328 telephone operators in Quebec to avoid having to lay off 100 other employees.

Bell Canada justifies its decision by pointing to the stiff competition which it must face since the CRTC forced the company to end its monopoly.

We can understand that Bell Canada must remain a profitable venture; however, it must not do so at the expense of many families and without any consideration for the economic survival of several Quebec and Ontario regions, which are severely affected by the company's decision.

While all of this is going on, the Minister of Labour remains silent. She does not do anything to reduce the negative impact of that situation on the families concerned. The centralizing approach of the federal government is now being copied by large companies and that is unacceptable.

* * *

[*English*]

TAXATION

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, Canadian taxpayers have been held up, held down, sand bagged, walked on, sat on, flattened out and squeezed by our income tax system and by the GST.

Every year Revenue Canada makes sure that as taxpayers we are inspected, suspected, audited, examined and re–examined to the point that we do not know who we are, where we are or why we stay here at all. All we know is that as taxpayers we are supposed to have an inexhaustible supply of money for every whim that suits high brow Liberals but not brow beaten Canadians.

Taxpayers are tired of being held up, hung up, robbed and darn near ruined by excessive taxation in this country. Many families are hanging on now fearful for what happens next. Our message to them and all Canadians consists of two simple words: flat tax.

For all those who have cussed, discussed and boycotted our convoluted Income Tax Act we say hang on. A simple, visible and fair tax system is on its way; so too is a Reform government for Canada.

The Speaker: I think we will have to put him down as a doubtful supporter of the tax system.

* * *

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, what is happening to Canada's finest?

Most Canadians were shocked to learn that the RCMP had joined with Disney in an effort to promote both of their images at home and abroad. However, what about the picture in today's *Globe and Mail*: six scarlet clad Mounties at the New York Stock Exchange on Wall Street, rented by a private oil company to promote its new stock listing on the New York Stock Exchange.

The company also planned to use these rented Mounties to generate more publicity for its stock by having them chauffeur late night talk show host David Letterman to his studio. However this was nixed at the last minute, not by the RCMP but by Actors Equity which claims the Mounties were not professional actors.

Is the RCMP now renting out members of the force to raise much needed budget funds or is it spending time back in Canada fighting crime? While its members are on Wall Street they are not fighting crime in Canada which is their mandate.

* * *

HERITAGE RIVERS

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, I am pleased to announce the Fraser River has been proposed as the first candidate for protection under British Columbia's proposed heritage rivers program. This program will promote greater management of B.C.'s vital waterways and protection of B.C.'s finest salmon rivers.

A five member board will nominate approximately 20 rivers for protection under heritage status. Among the nominees are the Adams, Babine, Blackwater, Cowichan, Skagit, Similkameen and Stikine Rivers. All nominees are considered exceptional and are in need of heritage protection.

Due to its economic, historic, recreational and environmental significance the Fraser River is considered the jewel of the system.

In the U.S. 33 states have already adopted such a program. I am pleased to announce that British Columbia will be the first Canadian province that has adopted its own heritage river system.

* * *

• (1105)

REFORM PARTY

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, recently members of the Reform Party have been telling us they have all the answers for Atlantic Canada.

In my riding of Annapolis Valley—Hants I am proud to say the government's policies are not holding people back as the Reform Party would claim. Instead, our commitment to youth, our emphasis on training and our focus on helping small business have all helped to create real opportunities and jobs.

It is time the Reform Party came clean with its plans for Canada. The complete dismantling of our social programs, the end of universal health care and the elimination of equalization payments to the provinces are all examples of that party's true national agenda.

The people of Nova Scotia recognize the Reform Party's slash and burn agenda for what it really is: simplistic and clearly out of touch with the views of Canadians.

* * *

QUEBEC REFERENDUM

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I realize the referendum will be conducted in Quebec by Quebecers. That is as it should be. Such activity is one of the privileges of our wonderful Confederation.

[*Translation*]

As the member representing the riding of Peterborough, I want to say something to my fellow citizens from Quebec. An overwhelming majority of my constituents want Quebec to remain part of Canada. Several of us have French as their mother tongue, while others attend French immersion schools. As well, some, like me, studied in the «belle province» and have children who were born in Quebec.

These examples clearly show the many strong links which unite us. Please stay with us.

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FEDERAL PUBLIC SERVANTS

Mr. André Caron (Jonquière, BQ): Mr. Speaker, this government is trying to intimidate federal public servants in Quebec who want to actively participate in the referendum campaign. In a letter to all his employees, the deputy minister for Treasury Board warns federal public servants in Quebec to think twice about the nature of their employment before making public statements.

Federal union officials are unanimous in denouncing this barely veiled threat because, notwithstanding the Liberal government's will to gag federal public servants, the Supreme Court recognized that they have the right to freely express their views during election or referendum campaigns.

Since when does the government threaten its employees with losing their job if they exercise their right to speak freely? As we saw earlier this week, the government is once again about to sacrifice the rights and freedoms of Quebecers for the sake of Canadian unity.

* * *

[*English*]

PATRONAGE APPOINTMENTS

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, the Liberal members while in opposition complained day after day about patronage appointments of the previous government. Times have not changed. The justice minister has continued the tradition by appointing to the Court of Queen's Bench 11 party hacks, bagmen and party supporters to have a turn feeding snout deep at the taxpayers' expense.

The Liberals promised in their infamous red book to end patronage. Canadians should know the only symbol their colour red stands for is the continuing debt and the colour of baloney. The Liberal justice system of social engineering and blaming society for the actions of criminals will continue with these appointments. The Liberal attitude of finding everyone wrong but special interests crying discrimination will continue because of these appointments.

Let the Liberals feed their faithful while they can. The trough will be sealed after the next election.

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OTTAWA LYNX BASEBALL TEAM

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, on September 13 the Ottawa Lynx Triple A baseball team won the Governor's Cup of the international league. Thanks to their great team effort the Lynx beat the Norfolk Tides four to nothing, thus winning the best of five series three games to one.

Norfolk with the best record during the regular season was the favourite team coming into post–season play; however, the Montreal Expos farm team peaked at the right time and took the championship.

Since its creation the prospects for the Lynx have been rather encouraging. In the first year the team set a new attendance record for the league.

The September 13 game which brought the championship to Canada stretched over four hours and twenty–seven minutes, including two rain delays, yet the 9,000 plus fans gathered at the Ottawa stadium never lost faith in their team.

• (1110)

On behalf of all the baseball fans in Ottawa—Vanier and in Ottawa—Carleton, I offer my most sincere congratulations to the Ottawa Lynx, to their manager, their president and owner, Mr. Howard Darwin and Jim Durrell, the former mayor of Ottawa.

* * *

EMERGENCY SERVICES PERSONNEL

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I rise in the House today to pay tribute to the women and men who work in the police, fire, water rescue and ambulance services in Bruce—Grey. On September 24 the Reverend Christopher Pratt will conduct a special service at St. George's Anglican Church in Owen Sound honouring those hard working, well trained and dedicated people.

I am sure hon. members of the House share the admiration and respect I feel toward the people in Bruce—Grey whose jobs often take them into high risk situations.

I join the congregation, the members and the people of Bruce—Grey in giving a hearty thank you to those courageous individuals for their contribution toward safer communities.

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[*Translation*]

QUEBEC SOVEREIGNTY

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, yesterday the yes side laid out the foundations for the sovereign country Quebecers are being called upon to build for themselves. Echoing the many demands expressed during the commissions on the future of Quebec, the aim of the sovereignty team plan is to breathe a new dynamism into Quebec society once it possesses all of the powers vested in a sovereign people.

"Our Hearts in Our Work" is a second quiet revolution. Because a sovereign Quebec will be able to use all of the means available to sovereign states, it will find original solutions to the numerous problems facing us.

Choosing the no side means choosing immobility. We are sure that Quebecers will say no to immobility and yes to change.

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[*English*]

HEALTH CARE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the ministers of health met in Victoria this week to supposedly save medicare but instead they chose to sling insults at each other. All the while Canada's health care system continued its decline with increasing waiting lists, rationing of essential health care services and the massive exodus of expensive and highly trained professional staff.

We all care about medicare and want to see it continue. However an aging population, expensive technologies and an economic crisis have all combined to make medicare as we know it unsustainable. We must look at other new ways to preserve the intent of medicare which will ensure that all Canadians regardless of their income have essential health care services covered in a timely fashion.

The public does not accept the flawed logic of this government which prevents it from gaining access to medical services of their choice. All Canadians must be free to have medicare and a choice to ensure that the health care needs of all Canadians is met.

* * *

[*Translation*]

PAYNE WEBNER STUDY

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, Quebec separatists did not take long to react to a study published yesterday on the credit rating of an independent Quebec. The study, which is on the whole very positive for those who are promoting independence for Quebec, remains conspicuously silent on several important aspects of the question, as pointed out by Michel Van de Walle in his business column in the *Journal de Montréal.*

Another issue our separatist friends have tried to dodge arises from the confusion around the author of the report. The firm of Payne Webner, whose name was associated with the report, said in a press release last Wednesday that it neither sponsored it nor endorses its conclusions.

What, more accurately, should be referred to as the Albert Gordon study fails to clarify satisfactorily a question that is extremely complex. We can imagine that after a very difficult week like this one, Quebec separatists needed a new set of rose–coloured glasses.

ACTION DÉMOCRATIQUE DU QUÉBEC

Mr. Réginald Bélair (Cochrane—Superior, Lib.): Mr. Speaker, the leader of the Action démocratique du Québec must be starting to wonder what he is doing in Quebec's separatist coalition. In today's *Le Soleil* published in Quebec City, we read that half the executive of Mario Dumont's riding association intend to vote no in the next referendum.

Members of the association are deeply divided on the policies of their party, and some, including Rémi Dumont, and I quote, "are disappointed in the ADQ's decision to vote for sovereignty". Rémi Dumont added that he would work for the no side.

• (1115)

This development, which is astonishing to say the least, should remind the ADQ's young leader that the Quebecers who supported him in the last election may want more powers for Quebec, but they want those powers within a united Canada.

ORAL QUESTION PERIOD

[*Translation*]

PRIVATIZATION OF PEARSON AIRPORT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, on two occasions—December 8, 1994 and March 27, 1995—in response to questions by the official opposition, the Prime Minister stated in this House that he never met promoter Jack Matthews in order to discuss the privatization of the Pearson airport and has denied soliciting a contribution of $25,000 to his campaign for the leadership of the Liberal Party.

Testifying last night in the Senate investigation of the Pearson scandal, Mr. Matthews stated under oath that he indeed met the Prime Minister in late 1989 or in early 1990, that discussions did indeed concern the privatization of Pearson airport and that the future leader of the Liberal Party asked him for a $25,000 campaign contribution.

My question is for the Prime Minister. In the face of this sworn testimony, will the Prime Minister continue in his denial or does he intend to change his version of the facts?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I continue in my denial. Particularly because the meeting was held on April 14, 1989 in the company of a lawyer, who testified under oath and kept notes in his files and because we discussed with Mr. Matthews the possibility of building a head office for Transport Canada on a property in Ottawa.

There was absolutely no discussion of Pearson airport and, what is more, I have never solicited funds from anyone during my political career. People were solicited by my supporters. He has got it mixed up again; he has the date wrong and everything. Mr. LaBarge has testified that he had no interest in it and that he is a lawyer. He testified very clearly confirming my version that we discussed the Transport Canada building and nothing else and, at that point in time—April 1989—the then leader of the Liberal Party was still in office and had not yet resigned. I therefore have nothing to add to what I have said in this House.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in March 1994, as he did today, the Prime Minister relied on corroboration from his former colleague, lawyer Paul LaBarge, who also denied what Mr. Matthews said. Mr. LaBarge testified under oath yesterday as well before the Senate committee maintaining his denial.

However, this morning's *Globe and Mail* reported obtaining a copy of the tape of last January's telephone call in which Mr. LaBarge contradicted his testimony of yesterday and confirmed Mr. Matthews statements. I quote the following passage from this morning's *Globe and Mail*:

[*English*]

"Mr. LaBarge confirms that the meeting took place just before Mr. Chrétien launched his bid for the Liberal leadership and that campaign contributions were discussed".

[*Translation*]

My question is for the Prime Minister. Given this recording in which Mr. LaBarge himself confirms Mr. Matthew's sworn testimony, will the Prime Minister, who has now been twice contradicted, acknowledge that his credibility is seriously in doubt?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I met with Mr. Matthews in the circumstances I described to this House in April 1989. We discussed the Transport Canada building, which, at that time, was the subject of various proposals the government wanted. I was a lawyer. I gave my opinion on whether they were following the right procedure and on the chances of successfully obtaining the contract. It was in April 1989, as has been confirmed by Mr. LaBarge, who had it in his notes. And about the telephone call that was recorded without Mr. LaBarge's knowledge, I really do not know. All I know is that the dates are confirmed in the file in the office of the firm of lawyers I belonged to.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, apart from the fact that Mr. Matthews was under oath and runs the risk of facing very serious consequences for perjury, there is the fact that the Prime Minister can no longer use Mr. LaBarge's testimony as his support, because Mr. LaBarge contradicted himself in the tape the *Globe and Mail* obtained, as it reported this morning, and this is very serious, Mr. Speaker.

• (1120)

So, if the Prime Minister is so sure of the truth of his words, why does he not go and repeat them under oath before the Senate committee of inquiry?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am the Prime Minister of Canada at the moment. I repeat that I was not a member of Parliament at the time, I was a lawyer, and we discussed the proposal for the Department of Transport building.

There was no question of an election campaign at that point, and all those who know me know very well that I have never solicited funds on my own behalf for my election campaigns and that the facts are very clear in this regard. I give my word that I never discussed the Toronto airport with this man, who is having considerable difficulty himself remembering the dates and everything. I am not going to take the time to analyze all the many contradictions in his testimony.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, of course the Prime Minister's opinion commands respect. However, in this case it has been formally contradicted by a Canadian citizen speaking under oath and by a taped conservation.

In the circumstances, would the Prime Minister not consider it would be most advisable for him to agree to testify under oath in order to clear up this matter? Would the Prime Minister agree with the importance of such a step?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when a minister rises in the House and gives his word, that is generally good enough for hon. members.

Especially since according to one of his claims, he received a call from someone who is now one of my collaborators, Mr. Goldenberg, who allegedly also asked him for a contribution. Mr. Goldenberg has asked him, through his lawyers, to withdraw what he said. He never met Mr. Matthews and never spoke to him on the telephone.

Mr. Matthews will have to face charges before the courts, since Mr. Goldenberg has instructed his lawyers to start legal proceedings against Mr. Matthews if he does not withdraw his statement.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I know it is customary, and indeed we do respect the word of a member in this House. However, the Prime Minister is no doubt aware that the parliamentary immunity, the legal immunity a member enjoys when he speaks in this House implies that when a citizen testifies under oath or a member agrees to testify under oath outside this House, the impact is far greater, because there are major legal consequences.

In the circumstances, why should the Prime Minister, who knows the value of a sworn statement, leave any doubts as to his version of the facts and his integrity, considering he was formally contradicted by an individual who was speaking under oath and may face certain consequences? What this individual said is confirmed by a tape recording.

Why should the Prime Minister be willing to leave these doubts in people's minds, when he has the convenient option of appearing before a Senate committee, being sworn like an ordinary citizen and repeating his statement?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am going by the precedents in this House for testimony by prime ministers. If you want to bring a Bible here, I will swear on the Bible in front of the entire country. Bring the Bible. I will swear on the Bible. I have no objection.

Mr. Speaker, do you have a Bible? I will swear on the Bible right now. If the hon. member will not respect a parliamentary tradition that says that when a member rises in this House, his word is as good as his oath, bring me a Bible and I will swear on the Bible, in English and in French.

* * *

• (1125)

[*English*]

PEARSON AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the odour surrounding the cancellation of the Pearson airport contract continues to get worse. The government is now planning to use the taxpayers' money to buy its way out of a mess it created. It claims it will be an arm's length purchase by the greater Toronto airport authority, but what private sector lender provides 175 per cent financing?

The Prime Minister continuously slams the actions of the former Tory government but continues to practise the same old style politics that blurs any distinction between the lines of the two old parties of the past.

My question is for the Prime Minister. Will he admit that this questionable deal is nothing more than an effort to buy his way out of an embarrassing problem and with taxpayers' money?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member knows from his experience with the transport committee how important the policy of local airport authority and privatization of local airports is to the government. He knows that many communities other than Toronto are also engaged in a process of negotiation with the federal government to follow on the example of other cities that have taken local control of their own airports. This is a policy that enables local communities not only to improve their own airports but to take responsibility for ensuring that they use

them as economic development tools. That is something that will benefit the travellers, the businesses of the Toronto area, as it will Ottawa, Winnipeg, Halifax, and the other airport cities that are engaged in these negotiations.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the Liberal government has claimed in the past that failure to pass Bill C–22 has inhibited its ability to resolve the problem. The truth is it has no plan.

The current Liberal course of action is costing 4,700 jobs, $72 million in tax revenues, leaves Pearson with a potential passenger shortfall of two million passengers a year, and has caused Air Canada to look at a $525 million expenditure, which it can ill afford, to prop up its operation in terminal two. The government still has not provided any kind of plan.

Will the government not agree this is nothing more than an attempt to get out of a mess that is ever worsening, particularly in light of the Prime Minister's former law partner softening his refutal of the accusations that have been made?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, there is a mess here, and it started 10 days before the last election.

I can recall very clearly how explicit it was during the election campaign that a government days before an election did not have the moral authority or parliamentary authority to commit the Government of Canada to a transaction of the magnitude and importance of this one. This was not in any doubt whatsoever.

The fact that the government of the day went ahead and signed this transaction is the exact and only cause of the mess that surrounds Pearson airport today.

If the hon. member would tell his friends in the Senate to get on with completing Bill C–22, we could get on with the work at Pearson airport.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, two years have gone by since the Liberals formed the government. There is no injunction against the government by the Pearson consortium to stop any plan of action by the Liberals. They simply do not have one.

If the government is planning to use $800 million to compensate Claridge's partners, why is it paying this money only to the Bronfman controlled company and expecting them to bail the government out of its Pearson mess? Obviously the cheaper they do it the more money for them.

Will the Prime Minister admit the obvious? He is playing the same old game of Liberal patronage that he accuses the Tories of playing.

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I think the best advice I can give the hon. member is to heed the comments of the Conservative chairman of the committee examining Bill C–22, who said yesterday: "You can carry this as far as you want, but it has got nothing to do with this committee. If you think I am trying to protect the Prime Minister's reputation, my credentials as a Conservative are one hell of a lot stronger and of a longer term than any other member here". The Conservative chairman of the committee says that the Prime Minister's reputation is not the issue here. We know the issue here is getting on with the work at Pearson airport.

• (1130)

Why is it that the Reform Party continues to support a transaction that was entered into by a Conservative government lacking the responsibility and authority to do it? I do not understand that. Maybe he can explain it one day.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is for the Prime Minister.

The Prime Minister, just now, tried to hide behind parliamentary tradition. However, no parliamentary tradition places anyone in this House above the law.

The Prime Minister has called for a Bible; there are Bibles in the Senate. Let him go to the Senate and borrow the very Bible Mr. Matthews used when he swore his oath. What is he waiting for to go to the Senate, like any other Canadian, to swear an oath and answer questions?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the chairman of the committee himself told me this had nothing to do with the issue. The chairman, a Conservative senator, told us that they do not want to ask the Prime Minister to appear, and will not do so.

No one has asked me to appear there. I stand here in this House to say clearly what I know. If the hon. member has any courage, let him accuse me specifically of lying to this House, and let his seat in this House hang in the balance as a consequence.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, speaking of respecting the institutions of Parliament, as well as respecting democracy in general, as for the referendum vote in Quebec, the Prime Minister ought to begin by respecting the traditions of this House, and behave like any other Canadian.

Once again, I ask what he is waiting for to go to the Senate to testify, to shed light on this whole matter which, it would appear, shows Conservatives and Liberals to be two peas in a pod, as they both have helped themselves freely to the taxpayers' money.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, at this very moment, I am testifying before the House of Commons. I have said all that I have to say on this matter, and I have given dates which have been confirmed by the legal firm where I used to work. I had one meeting with that man—

Mr. Bouchard: That is not true.

Ms. Copps: Lucien, are you willing to bet your seat on that?

Mr. Chrétien (Saint–Maurice): That is absolutely true. I declare that we never spoke about the Toronto airport at that time. The meeting concerned the Matthews group's plan regarding the offer they wanted to make to the government with respect to the Department of Transport headquarters.

[*English*]

There were a lot of bids at the time in Ottawa competing for this building that has never been built. They came to ask me if the procedures they were following were the proper ones to maximize their chances of winning the bid.

I told them what was positive in their bids, in my judgment, and what was not positive. Eventually nobody won the bid because the building was never built.

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COMMITTEES OF THE HOUSE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, after witnessing question period this week Canadians are now familiar with the government's public unity strategy. However, out of sight of the cameras the Liberals are practising a different strategy, namely appeasement through the election process at committees.

After 14 meetings this week it has become clear the Liberals have formed some sort of alliance with the Bloc in what can only be concluded is an effort to appease the party which would tear our country apart, in the vain hope that it will lead to unity in our time.

Will the government House leader bring forward a notice of motion to amend the standing orders to ensure the election of committee officers by secret ballot?

The Speaker: May I please suggest to hon. members that your Speaker is listening to virtually every word that is said in the questions.

• (1135)

Many times in the preambles, which if you will permit me to say are getting longer, it seems, you are leading to a point where we are in committees. When we get to the question it has to be quite precise.

I ask you, please do not put your Speaker in a position that I have to rule out of order before we get to the question. I would ask you to please consider those preambles because they are, for me at least here in the chair, somewhat misleading.

I will permit the question because the question is in order.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, whatever happens in committee is the responsibility of members of the committee.

The member is also a member of the House procedure committee. If they wish to change the rules they can ask the member sitting in the committee to advance that proposition and the committee on House procedure will look into it.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, we are not talking about internal committee procedures but the responsibility of the House with regard to House rules.

If we look at the figures of the 34th Parliament, the third party received no less than 11 vice–chairs or even chairs. It is hard to believe that the Mulroney Tories would have a greater sense of fair play than the Liberals, especially when the now minister of immigration said in 1987: "The secret ballot offers members of Parliament an opportunity to do what is right for this country"—

The Speaker: I ask the hon. member to put his question now.

Mr. Ringma: My question, Mr. Speaker, is again for the government House leader. Will he agree to introduce at least a resolution allowing for the election of committee officers by secret ballot during the life of this Parliament?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, this is a matter for the House procedures committee.

The hon. member is a member of that committee. He should go to the committee of which he is a member and make that proposition.

* * *

[*Translation*]

OVERLAP AND DUPLICATION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, the chairman of the no committee, Daniel Johnson, stated in 1992: "Federalism is deeply flawed because of federal duplication, which is costing us a fortune. It is the main reason for the $30 billion deficit". Yesterday, the Minister of Intergovernmental Affairs admitted that the Privy Council had conducted studies on duplication, which the government decided to keep confidential.

My question is for the Minister of Intergovernmental Affairs. Given the substantial waste linked to duplication, why does the government refuse to release these studies?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the reason why I did not admit that we were conducting studies on duplication is because we are not. What I said is that we were doing analyses of the current situation and that the purpose of these analyses is to give advice to the decision makers, that is to say, the ministers.

I would point out to the opposition that similar analyses done for the Executive Council of the Quebec Government are not made public either, since they give confidential advice to the decision makers. There is an essential difference between such analyses, which are exempted under the Access to Information Act, and studies done by research institutes like the INRS, which are meant to be published so that the public can have a better idea of what independence would entail. That is something they are hiding, whereas we are not hiding what we have.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, we will get back to this on Monday but in the meantime I would like to ask the minister why he is being so secretive about studies showing the cost and extent of overlap and duplication, if not because they prove that the federal system simply does not work?

• (1140)

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I will use the very figures quoted by the opposition. At one point during his debate with Daniel Johnson, Mr. Parizeau mentioned that duplication cost $3 billion. He was contradicted by his own advisers, who said at the time that it may have amounted to $250 million.

Some hon. members: That is wrong.

Mr. Massé: Mr. Parizeau quoted a $30 billion figure in his studies, saying that duplication had led to a $30 billion deficit. These figures are wrong and totally unbelievable. These figures have been refuted by many of the studies done by Mr. Le Hir and should not be used if the opposition wants to preserve a minimum of credibility.

* * *

[*English*]

HEALTH

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, my question is for the Minister of Health.

The minister continues to adhere to the myth that if medicare ain't broke don't fix it. Yet it is broken and there is a growing chorus from across Canada that wants a change to fix it. This chorus includes provincial governments and ministers of health from across Canada, including British Columbia and Quebec. This chorus includes health care workers, including doctors and nurses and the public whose very lives may be at risk.

To date the minister has introduced only two pieces of legislation in the last two years in Ottawa. Will the minister be introducing any legislation to address this growing need, in fact the demand for change?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, to date the Canada Health Act has been extremely flexible in allowing for change within different provinces. To say that the system is broken is to exaggerate. I would rather say that the system needs changing. Technology is with us. I am working with the provinces and I will continue to work with them.

I think that the Canada Health Act, which works well for Canadians, should stay in place and continue to protect the rights of Canadians to first class medical care, regardless of whether they can afford to pay extra.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, the minister's answer once again reflects a blindness to reality, to the facts.

Let me focus on the breakdown of the system. Two examples may suffice. In my home province of British Columbia it takes over seven weeks, almost two months, to get an appointment with a specialist. It takes 27 weeks on average to receive cardiovascular surgery, almost seven months.

When will the minister show that she values the well–being and the lives of Canadians above her blind loyalty to outdated legislation? When will the minister first admit and then act on an obviously unsustainable health care system?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I am always a little surprised to hear members opposite say how things are in British Columbia. The officials and the minister of health for British Columbia are extremely supportive of the Canada Health Act.

They have brought in their own health act, which mirrors the principles of the Canada Health Act, to ensure that British Columbians will continue to have the best health care policies and the best health care programs available for them.

* * *

[*Translation*]

DUPLICATION AND OVERLAP

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs. Last spring, the Minister of Intergovernmental Affairs justified a substantial increase in the Privy Council's budget by saying that this increase was intended for the most part to pay for studies to be conducted in order to reduce duplication and overlap.

Could the minister tell us how many studies on duplication and overlap between Ottawa and the provinces have been conducted by the Privy Council since spring?

• (1145)

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I have had my answers to the questions put to me in February dug out. What I said at the time is this: "We presently have action plans with eight provinces and two territories to reduce duplication. During the past year, we signed with the provinces and territories 64 agreements, which have been made public. We therefore have no objection to letting the opposition admire these fine pieces of work. Eight of these agreements were concluded with Quebec before September 12, 1994, and none since, obviously. We continue to use moneys in such a way as to reduce duplication and overlap. That is not just talk, that is what we are doing".

This was my answer. We use taxpayers' money to make the federal government more efficient. We do so in co–operation with the provinces when they want to co–operate, but since the Parti Quebecois came into office, no co–operation has been forthcoming on its part and, unfortunately, it failed to help make services more efficient in the province.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, how does the minister explain that some studies conducted by the Privy Council, notably by Stéphane Dion, Lorne Nystrom, a candidate in the NDP leadership race, Michelle Tisseyre, a former Liberal candidate, and Maurice Pinard, a professor at McGill University, cannot be released as requested under the Access to Information Act?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Again, Mr. Speaker, at the meeting of the standing committee, I not only provided the complete list of those involved in making analyses, but I also explained what they had worked on.

Analyses were carried out for ministers to advise them on the current situation. Again, the opposition is trying not to shed light on the Le Hir studies because they were kept secret, but the Access to Information Act clearly states that analyses carried out for decision makers are confidential and therefore not covered by the act.

The opposition is trying to create a diversion to avoid disclosing that they themselves commissioned studies that were meant to be published, studies conducted by an institute in order to use its—and that is why the opposition—

[*English*]

FINANCE

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, my question is for the Minister of Finance.

Canadians are concerned about the increasing amount of government debt held by foreign investors. In the 1995 budget the Minister of Finance indicated he would explore options to make Canada savings bonds more attractive. Can the minister tell us what he is doing to allow Canadians to get control of our foreign debt and what are those options?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development –Quebec, Lib.): Mr. Speaker, the hon. member for Dauphin—Swan River has shown a great interest in this, so perhaps it is not entirely a coincidence that she would ask me this question on the day that I am announcing the 1995 issue of Canada savings bonds which will feature our new RRSP option.

An hon. member: Good timing.

Mr. Martin (LaSalle—Émard): Mr. Speaker, I congratulate her on what is undoubtedly a coincidence.

This new option will allow investors to register their Canada savings bonds directly in the form of an RRSP without needing a self–directed plan. There are no purchase fees. As well, the new bonds will have competitive interest rates guaranteed for the next three years and, if the occasion requires, it the interest rates will be increased.

[*Translation*]

The new issue will be released by Tuesday, October 10, and will be available until November 1. I strongly suggest that all members, particularly those across the floor, purchase these bonds.

* * *

[*English*]

FEDERAL–PROVINCIAL FISCAL ARRANGEMENTS

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, yesterday the Prime Minister made passing reference to Albertans as being the fortunate fat cats of confederation; an attitude which led to the hated national energy program.

• (1150)

The Prime Minister should know that Albertans have contributed around $140 billion to confederation over the last 30 years. Last year alone they contributed $2 billion. Next year the government will transfer approximately $475 million less to Alberta.

My question is for the Prime Minister. Is it right for the Government of Canada to significantly reduce funding for

programs that are the constitutional responsibility of the provinces, at the same time insisting on setting all the rules for the delivery of those programs?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are still contributing a lot of money to those programs. It is the consensus in the House of Commons and in all the provinces, including a lot of the people living in Alberta, that medicare should be the same for the rich and the poor. That is clear in my mind.

I campaigned in Alberta for medicare and I will keep doing it because it is the one element in our social programs that the people believe in the most. They do not want to be subjected to the pressures that existed before: better services for the rich, second class services for the poor and the risk of losing everything when you are sick.

The best system is Canadian medicare. It is the same for the people of Alberta, the people of Newfoundland, Quebec, Ontario and British Columbia.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the reality of the situation is he who pays the piper calls the tune.

At the recently concluded conference of health ministers, all of the provinces and their health ministers were on one side of the issue and the federal Minister of Health was on the other side. The provinces and all Canadians want to resolve this issue. The only consultation taking place between the federal government and the provinces has been a letter stating that October 15 is the deadline.

Will the Prime Minister instruct the Minister of Health to be flexible on the deadline so that the provinces and all of the stakeholders involved in health care and the delivery of health care, which is under serious pressure, are able to come around the table and solve the problem without artificially imposed deadlines?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member said all provincial ministers are in agreement to more or less dismantle medicare and that is not true. Yesterday the minister of health for Quebec said the universality we are proposing is the best. He said if you start to accept some private clinics, that is the crack in the dam and he was opposed to doing that.

Do not affirm that everybody is against the policy of the government. The great majority of provincial governments want to keep medicare as it is.

* * *

[*Translation*]

PETRO-CANADA

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, Gordon Capital, the Toronto firm which employed the Prime Minister from 1986 to 1990, was appointed to head the trust responsible for liquidating the majority of the Petro-Canada shares held by the government. For its trouble, Gordon Capital and its associates will pocket commissions in excess of $65 million, the highest amount ever paid in Canada for such a transaction.

My question is for the Prime Minister. Was the Prime Minister involved in any way, shape or form in the decision to appoint his former employer to head the coordinators responsible for the sale of Petro-Canada?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the Prime Minister was not involved in that decision, which was made following a recommendation by the Department of Finance and the Department of Energy. This was done following an open bid to most brokers in Canada, as well as in the United States, I might add.

I should mention that the commission was not high; in fact, it was one of the lowest ever paid for such a transaction in Canada. It is obvious why Gordon was involved. We had the option of either selling on the open market or of arranging a block purchase, and Gordon Capital happens to be an expert when it comes to block purchases.

• (1155)

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, after the blatant patronage in the case of Power DirecTv, the acquisition of MCA by Seagram and the Pearson airport deal, which is still under scrutiny, how can the Prime Minister explain the payment of tens of millions to his former employer?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the question is absolutely ridiculous and laughable. First, some 15 other firms in Canada were involved. It must be pointed out that the margin between Gordon and the others was one of the narrowest ever seen for this type of transaction.

In fact, the member should congratulate the government. That was the best privatization process ever accomplished by any western government.

* * *

[*English*]

SEA KING HELICOPTERS

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question is for the Minister of National Defence. I have learned that a Sea King helicopter crashed Wednesday night in Piopolis, Quebec. The crash was due to a transmission failure.

I had trouble getting this information from the Department of National Defence. I wonder if the minister will confirm this incident and will he tell the House why it is a secret when one of our aging Sea King helicopters goes down?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is certainly not a secret. It is very unfortunate. The pilots felt as a result of a warning light coming on that indicated transmission trouble that they should make an emergency landing. That is quite publicly known. I cannot understand why the hon. member has had difficulty getting information on this.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, in my recent visit to Shearwater I found out that the Sea King helicopter requires 25 hours of maintenance for each one hour of flying time. This definitely speaks to the serious situation the Sea King is in right now.

I can make my supplementary question very simple and I would like to make it direct because the children serving our country are literally falling out of the sky. How many other crashes must there be before the government takes action to replace the Sea King?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we know very well these helicopters are old and we know very well the parliamentary committee of which the hon. member was a participant recommended they be replaced. This is a matter the government said was to be pursued in the white paper. On the other hand, it does not want us to spend money.

It is a matter for consideration. Since the armoured personnel carrier contract is now en route we will look at the helicopters. In the meantime these helicopters are certified to fly until the year 2000. They are perfectly safe. I have been on them many times. If the hon. member would like to go for a ride I would welcome giving him one.

* * *

COINAGE

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, my question is directed to the Minister of Public Works and Government Services.

Yesterday we launched the $2 coin. We also know the $2 coin will cause some problems, some concerns, some inconvenience and also some expense to certain sectors of our economy. What is the minister prepared to do to minimize the problems for the new coin?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I thank the hon. member for the unexpected but yet timely question relating to the $2 coin.

The member is quite right. Yesterday we unveiled the design of the new $2 coin which is a polar bear. Some of the young people have referred to it as "the bear". We hope to be able to work with the various small and medium size businesses to make the transition as smooth as possible.

The rationale for the decision was a result of the budget of the Minister of Finance. It clearly set out that by changing from the $2 note to the $2 coin we will save the taxpayers of Canada in excess of $250 million.

* * *

TOBACCO

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Health.

One year ago I tabled a petition that called for the government to regulate tobacco under the Hazardous Products Act. The minister's response at that time was that tobacco could not be made safe and therefore could not come under that act.

Given the Supreme Court ruling, what are the government's plans to amend or replace the Tobacco Products Control Act and to deal with the situation as a result of the Supreme Court ruling?

• (1200)

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we will take guidance from the decision of the Supreme Court. It is absolutely essential.

We would rather not have to spend another seven years before the courts. That in effect is what has happened. We spent seven years and twenty–one days, to be exact.

It is very important, following the guidance of this decision, that we take the steps available to us and go as far as possible and as quickly as possible, because many people are dying as a direct result of tobacco products. We have to do everything in our power, especially to stop young people from starting up and having access to those tobacco products.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

[*English*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 86th report of the Standing Committee on Procedure and House Affairs, regarding the associate membership of committees. If the House gives its consent, I intend to move concurrence in this report later this day.

Also, Mr. Speaker, I believe there will be unanimous consent for the following motion. I move:

That the following members be added to the list of associate members of the Standing Committee on Procedure and House Affairs: Mr. Assad, Mr. McGuire, Mr. Duhamel.

(Motion agreed to.)

[*Translation*]

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I propose, again seconded by the Chief Government Whip, that the 86th report of the Standing Committee on Procedure and House Affairs tabled in the House today be adopted.

(Motion agreed to.)

* * *

[*English*]

PETITIONS

AGRICULTURE

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, I am honoured once again to rise in the House pursuant to Standing Order 36 and present a petition on behalf of my constituents, to be specific, the agricultural sector of my constituency, who are upset with the proposed closing of the agricultural employment services offices.

They are petitioning the government to review this and give consideration to not doing this, because it is against what was in the red book, which stated "Jobs, jobs, jobs". This is a branch funded by the government that is creating jobs. Without it, employment and employees in the agricultural sector will be hurt.

• (1205)

GUN CONTROL

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I am pleased to present three petitions to the House today from the residents of Surrey North and other residents of Canada.

The first two petitions draw to the attention of the House the inadequacy of Bill C–68, the proposed gun legislation, toward the solving of violent crime. These petitioners are requesting that Parliament call on the attorney general to bring in a bill that would address violent crime.

AIRCRAFT MAINTENANCE ENGINEERS

Ms. Margaret Bridgman (Surrey North, Ref.): The third petition, Mr. Speaker, raises concern regarding the standards of training and education of aircraft maintenance engineers. These petitioners are praying that the minister would leave the existing legislation alone for the licensing of aircraft maintenance engineers.

[*Translation*]

HUMAN RIGHTS

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I have the pleasure of submitting a petition on behalf of the residents of Vancouver.

[*English*]

The petition concerns the issue of sexual orientation. The petitioners state that discrimination based on one's sexual orientation is real and hurtful and contravenes the Canadian charter, and further that all forms of families based on financial and emotional interdependency are meaningful and important to the social well–being of this country.

The petitioners therefore call on Parliament to amend all legislation that discriminates against homosexuals and to recognize all relationships of mutual love, support, and dependency.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee; and of the amendment.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 45(6), the recorded division stands deferred until Monday, September 25, at the ordinary hour of adjournment.

Mr. Milliken: Mr. Speaker, I think you would find the consent of the House to call it 1.30 p.m.

The Deputy Speaker: Is there unanimous consent to call it 1.30 p.m.?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker: The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

CANADA POST CORPORATION

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ) moved:

That, in the opinion of this House, the government should ask Canada Post Corporation to integrate into its development plan a strategy promoting the local development of regions and municipalities in Quebec and Canada.

He said: Mr. Speaker, I find it very interesting to rise today in this House on this motion, especially as the minister responsible for Canada Post Corporation announced, a few weeks ago, that a committee would carry out an in depth review of the corporation.

• (1210)

A while ago, I presented the motion which is on today's Order Paper and through which I want the House to convey to this committee that, from now on, Canada Post Corporation should integrate into its development plan a strategy promoting the local development of regions and municipalities in Quebec and Canada.

We must say that, in this area, things were not too great in the past.

Under the previous federal government, the reform of Canada Post Corporation was entirely and exclusively focused on cutting costs, regardless of the impact on the rural and urban communities affected by post office closures. I would even venture to say that this strategy was part of what brought down upon the government the wrath of the public and caused its demise in the fall of 1993.

I also believe that it resulted in the moratorium banning post office closures which has been in effect since the fall of 1993. However, to this day, the government has made no effort to correct past mistakes. Take, for instance, the village of Saint-Clément, in my riding, where the post office was closed against the will of 100 per cent of the population who clearly proved that it wanted and needed a post office. The previous government turned a deaf ear and so did the current one, arguing that the moratorium did not cover the previous government's mistakes, and that the case was closed.

Now it seems the review committee, which will examine the mandate of Canada Post Corporation, will be open to public complaints concerning postal services, so it is important that we give that committee the opportunity to hear the opinion of Quebecers and Canadians on the operations of the corporation and on its contribution to the local development in every region of the country.

Today, we can ask ourselves, as did the committee on rural development in Canada after a thorough examination of the post office issue: Is it possible to modernize Canada Post Corporation and prepare it for the twenty-first century? Could we not adopt a new approach, a new form of marketing for postal services and not a defensive attitude like the one which led to the closing of many post offices, not because the clientele was decreasing, but because the post master was retiring? Such measures were totally absurd and it was written quite clearly in the mandate of Canada Post Corporation. It caused some ludicrous situations. Today there are post masters in post offices where clients are few while certain very busy post offices have been closed.

So we really must seize this opportunity given us by the review committee soon to be created. I sincerely hope this committee will be in place very soon. It is important because we should be announcing next week that the review committee will be operational and will review all the issues concerning Canada Post Corporation.

Rural development is not the only issue, there are many other aspects but my motion deals precisely with the local development of rural regions.

I would like to give a very concrete example of that. In the riding of Rimouski—Témiscouata, the village of Saint–Honoré played the game and agreed, four or five years ago, to have its post office closed and the mandate given to a corner store owner.

This owner has now realized that this activity was not profitable at all and he wants to give up that responsibility. That village is now facing the situation where, in February 1996, it will not have any postal service, because the post office will have been closed and sold. With a short term vision, it was thought that giving the mandate to a corner store for a minimal amount was a good idea, but we now find ourselves in a very serious situation because, according to its current act, Canada Post Corporation is responsible for ensuring mail delivery all across Canada, which will not be done in that area.

• (1215)

There is no real solution on the table. In rural areas, there is often one corner store or one grocery store for every village or municipality, and there may not be much choice but to move the post office many kilometres away. It is not a very interesting prospect at all.

So I think it would be important to look at the postal service not only from a humane perspective—what the moratorium has achieved is very important and I think we must recognize the effect it has had—but also in terms of its future. Would it not be possible to compel Post Canada Corporation to say in its development plan what it intends to do in terms of the information highway, for instance, in our villages? Would it not be a good idea to have, in each of our municipalities, an information highway service point which could be used by the local population?

For example, I can see that in a farming area, where farmers need to know about the latest technology, programs, trade opportunities and information in the field. We may not have yet reached the stage where every farmer has access to the information highway. Canada Post could maybe run some pilot projects to ensure that our municipalities are cut off from the rest of society as little as possible.

Post offices could also provide a fax service. Not everyone can afford to pay $100 or $200 for a fax machine, least of all the people who do not use them very often. Let us take, for example, a senior citizen who suddenly runs into trouble with a department, because a technical document went missing. We cannot expect that citizen to have a fax machine at home, but we could provide such a service through the post offices. This could prove interesting.

Another interesting service the post offices could provide is access to the terminals of Human Resources Development Canada. We are not saying that we are against the current centralization of employment centres, but that is not the issue I want to address because we do think that the centralization process is worthwhile. I think that when people are looking for jobs, they must be able to deal with persons.

However, if the workforce is maintained at its current level, we could add several service points to give access to a program the Department of Human Resources Development is already offering. In order to do so, Canada Post would have to say: "Because of our corporate image and because of the benefits this would entail for individual citizens, we would be ready, as a department, to sell you this equipment". Like they are doing actually. Right now, the installation of these terminals costs about $5,000. Canada Post could buy quite a few of these terminals, even though it would mean that it would have to inject several million dollars in this project, but it would give all our citizens access to this information.

You have to remember that Human Resources Development Canada does not provide only job search programs. It also deals with our senior citizens and the pension systems. There is a lot of room for improvement in this area and I think Canada Post should be forced by this House, and by the committee considering this issue, to see that its business plan look at ways not only to provide postal services for less money, but also to do something to improve things at the information level.

Let me give you an example, Sweden has decided to decentralize the processing of income tax returns. Instead of having large processing centres clustered in a single region like we do in Canada, they can have income tax returns from one area processed at the other end of the country in a decentralized way, thanks to computer technology, so that, in every town, people can have a job and work without leaving their community. Thus, the nation's territory can be better used, and a fairer distribution of income is fostered.

I think it is much better to keep regions alive through job transfers than through transfer payments, and people could stay in their own communities. That kind of development is possible with a network like that of Canada Post.

Something else must be taken into account. We should avoid any unwarranted competition. Let me give an example. In my own riding, at the time of the year when income tax returns are processed, Canada Post came up with a pilot project that allowed a bank to sell RRSPs in a given town to residents of the area. That kind of competition was unwarranted because there was a caisse populaire in the town, and it had made investments in capital and salaries so that it could be located right on the spot year–round.

• (1220)

But the bank, thanks to a profitable contract, did not have to pay back the whole investment and did not have to contribute to rental costs of the place, at least not at 100 per cent. That was unfair competition. This should be looked into thoroughly.

I think we should also emphasize the need for public debate and hearings on this issue. Right now, a coalition of private couriers is making representations to have the Canada Post's mandate revised so that they can market their own services in densely populated areas like Montreal, Quebec City, Vancouver, Toronto and all cities with a large enough population. A private company might be able to provide services at a lower cost than the Canada Post Corporation.

The provision of these services must not result in a reduction of services in other regions. If Canada Post suddenly becomes responsible for providing postal services in sparsely populated areas and the private company gets to serve all the profitable areas, we will have an unacceptable situation which, in the medium term, will lead to the disappearance of postal services in many places.

I think that there is a need for public debate, for public hearings, and maybe that is what the Conservatives should have done first before carrying out their reform. They should have asked people what kind of postal services they wanted. It would help everybody understand what the real issues are. Closing a single post office may not look so tragic, but in our rural communities, given the way development is going, it is often a sign that other services are about to disappear, like the school and even the church.

We must find a way to ensure the development of those communities. There may have been some mistakes but, in general, people who founded parishes and helped them grow invested a lot of time and energy in those communities. We should ensure that, in the future, services will be maintained to promote the development, and not the disappearance, of local communities.

This seems important to me; it will be a golden opportunity to see how important the development of local communities is to the government. Is the government really willing to do something interesting in this area?

As a final argument, I will broach another aspect of this issue. In the partnership proposed to Quebecers in the referendum campaign, four or five priority areas are clearly mentioned, such as the monetary union, the movement of people as well as various areas in which there could be an agreement between governments, and Canada Post is one of those areas.

I think the committee that will be given responsibility for these studies, which will not be sitting tomorrow morning but probably after October 30, should plan to study this sort of situation so that, in the future as part of the cooperation to be established between Quebec and Canada after a yes, it is clear that there are advantages for both sides in agreeing and ensuring the service functions properly.

The entire network of post offices in Quebec and Canada has been paid for by all taxpayers, and will therefore form part of the debt allocation. This may be one of the issues we consider important, one that is included within the agreement, which makes provision very properly for a set of issues to be covered under the partnership, and this one strikes me as important.

• (1225)

In conclusion, the letter carrier unions, postmasters, rural communities and private messenger services are asking that this study be as public as possible, so we are sure we do not end up with a monopoly or making decisions that have an impact over a number of years in the future without the community being consulted. I think the public should be informed on this.

When Canada Post will be forced by Parliament to integrate into its development plan a strategy promoting the local development of regions and municipalities in Quebec and Canada, it will know that it is part of its mandate and it will be able to take it into account in its decisions and to avoid the mess of three or four years ago in this sector.

This will make it possible to correct at last significant errors that are still with us today, symbolic mistakes such as the decision concerning the Saint–Clément post office and the one concerning Saint–Honoré and other such examples throughout Quebec and Canada that I gave today. Canada Post must become a corporation that is as modern all over Quebec and Canada as it is in Ottawa where it gave itself great facilities. It is a corporation whose clients want to know what services they will get and how good these services will be. I believe that is part of the challenges Quebec and Canada will be facing in the 21th century. Let us seize this opportunity.

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, the motion proposed by the member for Kamouraska—Rivière–du–Loup is rather strange. It reads:

> That, in the opinion of this House, the government should ask Canada Post Corporation to integrate into its development plan a strategy promoting the local development of regions and municipalities in Quebec and Canada.

I say strange because Canada Post Corporation is already promoting the local development of regions and municipalities in Quebec and Canada. Canada Post is everywhere. For instance, there are now over 18,370 retail outlets where one can buy stamps and other products as well as postal services. In Quebec, there are 3,451 outlets. Over 75 per cent of these are presently owned by the private sector. Many of them are found in drugstores, convenience stores, etc. In fact, over 2,000 of these retail postal outlets are managed by small and medium businesses who gain not only from the revenues generated, but also from the increased flow of clients in their stores.

For the information of the members, I want to briefly recall the historical background of Canada Post Corporation. Organized postal services in Canada began in 1693, when the government of New France paid Pedro da Silva to take some letters from Montreal to Quebec. In 1755, the government opened the first post office in Halifax. The development of postal services followed that of the transportation network. Postal communications are closely linked with the history of Canada. For 300 years, postal communications helped Canadians keep in touch with each other, reduced distances and thus promoted the exchange of information and distribution of goods.

[*English*]

Today Canada Post Corporation delivers 46 million pieces of mail each business day, which are processed through 23 major mail plants and several other facilities, to nearly 12.3 million addresses in Canada, and forwards mail to virtually every country in the world. Clearly what we see is Canada Post contributing to a fundamental part of Canadian life.

• (1230)

In June of 1994 the Canada Post Corporation declared that the new corporation is in business to serve. This is no mere slogan. Canada Post has established it as a new way of life. It is a philosophy the corporation wants to permeate every decision it makes at every level. CPC is transforming itself from an operations based organization asking the customers to meet its requirements to one that will go the extra mile to satisfy customers and meet their needs.

[*Translation*]

This motion addresses development. The Canada Post Corporation knows a good deal about development. This past year CPC has focussed particular attention on improving and expanding its services to small business. It is aware of just how important small and medium size businesses are to the economic growth of the country. The central focus of its new approach is a program of services to business. It now has two business centres, one in Calgary and one in London. These are one stop resource centres, where customers can obtain a variety of information on postal products and services, and Canada Post staff can help businesses to expand by providing owners with a full range of communications and distribution solutions.

Another example of Canada Post Corporation's commitment to small and medium size business is the fact that it has made preferential rates available to small volume mailers—some members may be aware that special rates were, until very recently, reserved in theory for those with a heavy volume of mail. That is what I call development.

[*English*]

Canada Post is a dynamic commercial crown corporation which competes with the open market throughout Canada. Due to this dynamism, Canada Post's competitors, for example the Canadian Courier Association, have frequently charged Canada Post with unfair business practices. Why? It is simple: they cannot compete.

The allegations of cross subsidization are not true, and some recent media reports have even supported the association's proposal that a federal regulatory body be established to oversee the operations of Canada Post. However, hon. members should know that independent quasi–judicial bodies have examined the charges, and the charges of cross subsidization cannot be sustained, whether they are aimed at Canada Post's priority courier service or at the corporation's purchase of a controlling interest in Purolator courier.

The CCA has never produced any evidence to support its cross subsidization allegations. The Standing Committee on Government Operations, the Bureau of Competition Policy and the National Transportation Agency have all examined the issue. They have never been substantiated. With regard to Canada Post's purchase of Purolator courier, in which no public funding was involved, the director of the competition bureau concluded in November 1993 that "there are no grounds at this time to believe that cross subsidization has occurred or would occur post–merger with Purolator, which would likely result in a substantial lessening or prevention of competition in the marketplace".

[*Translation*]

The CCA claims Canada Post Corporation is in unfair competition with CCA members, through a monopoly on what it calls a considerable portion of its business. But it is more than one hundred years since Parliament enacted legislation assigning this exclusive privilege in order to guarantee all Canadians will pay the same prices to have a letter delivered within the country. Canada Post is in business to serve all Canadians and exclusive privilege is the only way Parliament could guarantee all citizens access to universal postal service from coast to coast.

The independent review concluded that Canada Post is not abusing that exclusive privilege. Is the CCA implying that Parliament erred when it gave a monopoly to this fundamental element of Canadian life?

• (1235)

[*English*]

Some may question Canada Post's ability to survive in the age of the information highway. The corporation is quite aware that the evolution of new communications technologies such as E–mail, facsimile, data transmissions, and electronic funds transfers will impact the outlook of Canada Post's traditional mail services.

The postal service recognizes the move toward electronic transmission of information and it has developed a number of value added electronic services, which combined with an unmatched infrastructure will allow the corporation to provide all Canadians with the services they will need as Canada heads into the 21st century.

The corporation is no stranger to technological developments in the communications industry. Canada Post has been involved for years in electronic messaging and it continues to develop new services for the future.

[*Translation*]

The motion before the House today asks Canada Post Corporation to promote local development. I know of no better way to do this than through the literacy campaign. Canada Post works closely with literacy groups throughout Canada. It launched a reading game to encourage reading among school children. This game is now part of the curriculum in Newfoundland and New Brunswick, and in Winnipeg. It developed a series of videos to raise motivation and awareness.

[*English*]

The Canada Post Corporation does not need to further, through more regulations, a strategy promoting the local development of regions and municipalities in Quebec and Canada. Why not? It is is simple: it has already done so.

Canada Post recognizes that it plays an important role in the social and economic fabric of Canadian life. Although the member for Kamouraska—Rivière-du-Loup is well intentioned, I cannot support the motion that is before the House.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I am pleased to address the motion put forward by the member from the Bloc regarding Canada Post.

Motion 403 proposes the government ask Canada Post Corporation to integrate into its development plan a strategy promoting the local development of regions and municipalities in Quebec and in Canada. I have several concerns regarding this motion.

The first issue that needs to be addressed is the wording of the motion, as I find it quite confusing. This motion addresses Quebec and Canada separately, which does not make sense when Quebec is a province within Canada. I fully recognize that we are facing a referendum in Quebec regarding separation. However, the last time I checked Quebec was still a part of Canada. Perhaps legislative counsel could iron out this obvious oversight and clarify the wording so that it simply refers to Canada. Then all provinces will be included using that definition.

Besides the wording of the motion, it is somewhat confusing as to why this motion is being proposed by a separatist in the first place. Canada Post is a Canadian corporation set up to serve Canadians. If the member is so keen on pushing the separatist agenda, why the interest in a Canadian crown corporation? The member simply cannot have it both ways. Surely he does not expect to separate from Canada and then take the crown corporation with him. A separate Quebec will obviously run its own postal system, not one subsidized by the rest of Canada. Canada Post serves Canada, and that includes all the provinces within its borders, nothing more and nothing less.

I also have problems with the fundamental intent of this motion, which suggests that Canada Post be used to prop up declining regions and municipalities. Given that Canada Post is a money losing venture, how does the member propose that it be used to build municipalities and regions? It does not make any sense.

Canada Post's mandate is to best serve the postal needs of Canadians. Getting a letter quickly and as inexpensively as possible from one area of the country to the other should be the primary concern.

• (1240)

Canada Post is a basic service and must fulfil its role as independently as possible, without reliance on government subsidies or unwanted interference.

In 1981 Canada Post Corporation was created and given a mandate that included achieving self-sufficiency while acting at arm's length from the government. At that time Canada Post faced economic uncertainty and was losing $600 million a year. Canada Post has turned its business around in the last 12 years, but there is still plenty of work to be done.

This past year Canada Post lost $70 million, the third loss in five years. Canada Post was forced to increase its stamp price by two cents this year because it claimed to be in such financial trouble. Given that Canada Post is running a deficit, the corporation needs to focus its energy as much as possible on its basic mandate: delivering mail quickly and at the lowest cost.

If Canada Post cannot run its own business, how can we expect it to promote regional development? This smacks of old style, pork barrel politics: full speed ahead and to heck with the costs.

It is fundamental that post offices must be established on a basis of need for service. Location should be selected on the basis of where they will best meet the needs of the local residents, not for buying votes from a town or rewarding political supporters. Regional development ideas went down with the *Titanic*, so why are we trying to refloat them here? With any crown corporation, taxpayers need to know that they are getting their money's worth. They want good service and fair prices, not another bloated bureaucracy with a fuzzy mandate incorporating regional development.

We know we have problems with our crown corporations. Canadians need to be assured that their tax dollars are being spent wisely. They want an open, efficient postal system, because Canadians are frustrated with poorly run corporations that ignore their primary role.

A point that particularly frustrates me with current legislation is that I cannot go back to my constituents with any assurances because crown corporations like Canada Post are exempt from access to information inquiries. Why is it that when crown corporations are supported by taxpayers they are at the same time protected by a cloak of secrecy that cannot be accessed under freedom of information? Canada Post has a monopoly on mail delivery, but it refuses to open its books to the public for fear of competition.

Questions have been raised again and again regarding Canada Post competition against other courier services. The Canadian Courier Association has accused Canada Post of using its exclusive mail revenues to subsidize its courier services, yet we cannot find out the answer because the corporation is protected from access to information. Business is complaining that Canada Post has an unfair advantage with its courier services and that they are forcing private enterprise out of business. However, the real story never sees the light of day because the answers are hidden behind this shield of secrecy.

Canada Post claims to have had an independent study done by KPMG to review the matter. Where is the study? We have not seen it. Canada Post refuses to release it. Canada Post protection from public scrutiny only raises more questions.

Questions have been raised about Canada Post's granting of contracts. Bidding for advertising mail services, for example, is obscured and potential bid players are raising questions about the procedures for bidding for services. For example, if a bidder has tendered the lowest bid he or she may not get the contract. The reasons for choosing one bidder over another are completely obscured and there is no way for an individual to find out where their bid sat compared to the others. Exemption from access to information prevents individuals from reviewing the results of any particular contract.

Given that the post office monopoly is under the umbrella of the patronage king himself, the public works minister, it is high time that Canadians were allowed to look into the books and practices of Canada Post. Already we have caught the minister responsible for this crown corporation with his hands in the cookie jar, handing out post office leases to his political supporters in Nova Scotia.

• (1245)

How many other instances of political patronage are there wrapped up in this corporation? Canadians want to know. It is high time the government came clean and put an end to the old style practices within our crown corporations.

Canada Post, like all crown corporations and government agencies, must be accountable. That is first and foremost. Services need to protected and functions run as cost effectively as possible with the least likelihood of incurring public debt.

The government should move Canada Post out of the subsidized role of courier service and ad mail delivery and limit it to what it was designed to do in the first place, pick up and deliver mail.

I cannot support the motion to allow Canada Post to become involved in regional development because it would be a poor business decision and is simply contrary to the primary role of Canada Post.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I welcome this opportunity to speak to the motion moved by my colleague that the Canada Post Corporation include in its strategic development plans a local development perspective.

We have so often seen the negative impact that closing post offices has had on small communities in Quebec and Canada. The present government is very much aware of this and a few months ago, asked the Canada Post Corporation to set a moratorium on closing post offices in rural areas.

Considering the role played by the Canada Post Corporation in these small communities, I think it was a wise move on the part of the government and, furthermore, I think the Canada Post Corporation's review committee, to be appointed by the corporation, would do well and, in fact, should ensure that the corporation's development plans include a special focus on the development of local communities and that postal services continue to play the role they had played so far in these communities.

After expressing my support for this motion, I think I should comment on what was said by my two colleagues, the Liberal member and the member for the Reform Party. I think it is a good indication of the present situation in Canada and the problems we have.

First the hon. member for the Liberal Party said everything is fine at the Canada Post Corporation. The corporation is streamlining its operations, making a profit and introducing a number of programs, including literacy programs which, as far as I can see, would be used by the Canada Post Corporation to develop local communities. It is not quite enough in my view./3

We then heard the hon. member for the Reform Party launch his party's customary attack on crown corporations, government services in general. According to him, the Canada Post Corporation's sole responsibility is to deliver the mail. Whether this is done by the Canada Post Corporation, a private corporation, an American corporation or whoever, the only responsibility of Canada Post is to deliver the mail.

This attitude has become increasingly widespread in this country, and I think it has a destabilizing influence on Canada as a country and on Quebec as the country I hope it will become. We can draw a parallel with what happened to the railways.

The railroads, which were among the major institutions of this country, have been abandoned. They did not believe in railroads, they invested in transportation companies, which were allowed to use heavier trucks that were then subjected to fewer inspections, hence the increase in the number of accidents and in the level of danger on our highways. In some areas of Canada, highways have been almost completely destroyed because they are now used to carry loads which ought to be moved by rail.

• (1250)

Meanwhile, the rail system is being dismantled. There is also the whole issue of telecommunications. We see in Quebec, and I believe it is also the case in Ontario, very serious problems caused by the fact that Bell Canada is presently restructuring its services on the basis of new technologies and a new personnel management policy.

This company is cutting jobs in order to withstand competition. This situation was caused by the fact that two or three years ago the CRTC allowed American companies, and I underline it did so despite opposition from Quebec, to compete with Bell Canada here in Canada. As a result, one of the most profitable companies in Canada, one with annual profits in the order of $900 million, or nearly $1 billion, was forced to compete by adopting its competitors' methods, including new technologies, lower prices and layoffs. In Quebec, this represents 4,000 out of 10,000 jobs.

This company, which made an important contribution to the political and economic life of Canada and Quebec, is currently being restructured. In addition to CN, Canada Post and telecommunications, our friends in the Reform Party are talking about privatizing hospitals. There is also talk about privatizingprisons in New Brunswick. If we go on like this, we will eventually find ourselves with a territorial entity called Canada, where there will be no government services, where the law of the jungle will prevail, where a bunch of small companies will compete without taking national imperatives into account in their business strategies.

A country, be it Canada or Quebec, cannot simply set its sights on globalization and set competition and the lowest costs as its goals. History shows that a country is created out of a sense of solidarity, a sense of nationhood. What is being shown here in this House, especially by our Reform colleagues, is that we are altering this concept of nationhood, of government services that has evolved over the centuries.

I think that by focussing on short term profits we are dismantling democratic countries, bona fide countries which made sure they could provide services to people and settle their land. I think that many of our fellow citizens, in Quebec and my region in particular, are becoming aware of this ill effect of new political ideas that came out of the blue in the early 70s. I think that in striving to restructure certain processes and change the way we do things as nations we are in fact destroying our countries.

I think that we will have to pay close attention to all this dismantling in our regions. Last week–end, more than 700 people gathered in my region. These municipal council members and representatives from various organizations were attending a general assembly to let people know that we want to continue to exist as a region. It is not true that our region will be shut down just because some banker, business leader or finance minister got the notion that we are no longer profitable.

We have settled this area. We have built communities and we want these communities to continue to exist. At a time when new ways of doing things are promoted, we can do as fine a job in Jonquière as in Montreal running a company or establishing a telephone service with real people to man the phones. I believe things can be done just as well in Montreal, Toronto, Jonquière, Chicoutimi or Roberval.

• (1255)

Citizens are realizing that, under the guise of putting into practice economic theories the fruits of which have never been reaped by the population, the structure of the country is being pulled apart to the extent that we no longer form communities, we no longer are citizens of a country; we have become mere consumers and investors.

I believe we must rise slightly above this vision of life and we, in this House, must look at things from a loftier plane and be able to tell our fellow citizens that we are heading in a direction that will ultimately transform us into vibrant countries, be it Canada or Quebec, which will be increasingly prosperous and fair with their citizens.

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Mr. Speaker, I listened with great interest to the motion of our Bloc Quebecois colleague concerning the preservation of postal services in the regions.

I believe the government of Canada has reacted very well since the Liberals took office. It declared a moratorium on local post office closures. Of course, this applies to Quebec as well as to the rest of Canada.

What I found particularly interesting, in the motion as well as in the comments of the member for Kamouraska—Rivière–du–Loup, is that he seems to recognize the important role the federal government has to play in regional economic development. When listening to the speeches of these sovereignists, I felt that these unique centres of Canadian visibility had to be preserved in small communities all over the vast regions of Quebec. I thought it was a bit odd to hear these people say, on the one hand, that Canada does not work and that the only way Quebec can get whatever it deserves is by separating but then, on the other hand, that this House should maintain postal services as they are. This is very interesting. I feel it emphasizes how important the role of the federal government is and how much the Canadian government is welcome in what we call remote areas, in rural areas of Canada.

I think we are about to reach a turning point in our history, not on a political level, because Quebec still wants to be part of the Canadian federation, but on an administrative level, if you wish, for postal services in Canada.

During the last few years, we have seen the emergence of computers, modems, fax machines, and a whole new telecommunications technology. Thanks to all kinds of technologies, regions and above all the self–employed workers of these regions will be able to better communicate with the outside world.

Quebec does not need sovereignty, separation or independence to develop its rural regions. Services are in place, we have offices and the expertise necessary to meet the needs of the population, the business people and the students, to help them in their regional economic development rojects.

For the last 30 years, Quebecers, especially in the rural regions, where I come from, have always asked for further decentralization of federal government services and especially of provincial services.

Nevertheless, I must tell you this. Nothing prevents the province or the federal government, as things now stand, from decentralizing services. Obviously, 30 years ago, it was impossible to do that, for the simple reason that the new technologies did not exist in 1960.

• (1300)

Governments, businesses and social services in Quebec, particularly in remote areas, will be able to create some form of partnership and set up service points to serve local communities. If I understand the logic of the Bloc Quebecois, of the separatists, these service points designed to promote regional economy should naturally be located in the post offices of the Canadian government.

It is quite something to hear the opposition say that the regions have a future, provided that post offices remain open in small communities throughout Quebec and Canada.

We could do more. We have other departments. For example, the department responsible for science and technology recently announced a new service designed to make Internet more accessible to Canadians.

Last April, in Carleton–sur–Mer, in my riding of Bonaventure, I held an information session with officials of Science and Technology Canada, in co–operation with Québec Téléphone, as well as various other people involved in the region's socio–economic development. We came to the conclusion that, for example, the federal government has the means and the programs to establish this Internet network throughout Quebec.

Unfortunately, few municipalities and provincial organizations answered the call. This is sad. We have the tools and the moneys to create this new synergy and promote regional economic development.

Efforts are being made and we must forge ahead and find partners. Above all, we must convince school boards. We must convince CEGEPs, hospitals, as well as social services of all kinds, particularly those which fall under provincial jurisdiction, so as to ensure a better partnership and set up new ways of communicating with the rest of the world.

I believe that regions in Quebec and in Canada will prosper thanks to new technologies. It would certainly be possible to establish videoconference centres in those Canada Post buildings in order to give residents of those regions an opportunity to take courses or to communicate with people outside Canada.

I think that Canada Post has a new social role on top of its economic role. It must discover new technologies and encourage people to use those technologies in order to take care of their own economic development at the local level.

The Canadian postal service has quite a history. As mentioned by the parliamentary secretary a few moments ago, I think that the postal service has played a glorious role in Canada over the last 300 years. Now, because of the new technology and because of the reality of today's world, we have to find different markets for our products and different ways to provide our services. I think that our postal service is a bit like the PTT in France, which offers a wide range of services to its clients.

Today's clients are not necessarily in office buildings in Montreal or in other large cities. Teleworking is becoming more and more popular. For example, there is a new trend emerging in the United States where people are leaving the cities and even the suburbs for small communities of 1,000 residents or less.

• (1305)

With today's technology, it is possible for, let us say, a translator—or an engineer, an architect, etc.—to work out of a small community somewhere in Quebec. These are educated people who often come from remote areas themselves. If they are willing to go back to those regions, we have to ensure the presence of the federal government and its many services.

I see that we are running out of time, but I must tell you that I am very happy to hear the Bloc Quebecois say that this basic service provided by the government of Canada is still welcome in the regions and also that we must maintain this federal service to have an even more glorious future.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I will not take much time, but I will make a few comments about Canada Post.

I congratulate you, Mr. Speaker, as being one of the Liberal members of Parliament who withdrew from the MP pension plan. You are to be acknowledged for that effort on behalf of Canadian taxpayers. You certainly have my personal congratulations as another MP who absented himself from the MP pension plan. We are in different parties but we share a kinship in opting out of the MP pension plan.

I find it really strange, really odd that there is a private members' motion before the House from a separatist suggesting that we somehow change a federal crown corporation. That is an irony and a bit of hypocrisy, if I am allowed to say that.

Twenty–five per cent of the population of Canada resides in the province of Quebec. If this member were a member in a separate Quebec, would he be putting forward such a motion to use the postal service of Quebec, a separate entity, for municipal development within his province? I suspect that his motives are not entirely pure and noble in putting the motion before us today.

I believe Canada Post should be put to more public scrutiny and exposed to competition.

I have been approached by many competitors of Canada Post who would like to get into the flyer business but find they cannot compete with Canada Post, not because they are not competitive but because Canada Post is subsidizing third class mail with first class delivery.

In New Zealand the first class postal rates have decreased and we have seen our rates go up. I believe the motive is to put competitors out of business. That is wrong and Canada Post should be scrutinized for the effort to squelch the competition unfairly.

[*Translation*]

The Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), this item is dropped from the Order Paper.

* * *

[*English*]

RESIGNATION OF MEMBER

The Deputy Speaker: This is a matter of importance. It is my duty to inform the House that a vacancy has occurred in the representation, namely, Mr. Rompkey, member for the electoral district of Labrador, by resignation effective September 21, 1995.

[*Translation*]

Pursuant to subsection 25(1)(b) of the Parliament of Canada Act, a warrant has been addressed to the Chief Electoral Officer for the issue of a writ for the election of a member to fill this vacancy.

[*English*]

It being 1.10 p.m., the House stands adjourned until Monday next at 11 a.m.

(The House adjourned at 1.10 p.m.)

HOUSE OF COMMONS

Monday, September 25, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

UNITED STATES SUGAR IMPORT RESTRICTIONS RETALIATION ACT

Mr. Paul Zed (Fundy—Royal, Lib.) moved that Bill C–311, an act to require the Minister for International Trade to retaliate against import restrictions introduced by the United States of America on Canadian refined sugar and sugar containing products, be read the second time and referred to a committee.

He said: Mr. Speaker, I rise today to talk about a private member's bill which the all–party caucus, the sugar caucus, has proposed, Bill C–311.

With six plants in six provinces sugar production is truly a national concern. An equally important statistic is that over the last 10 years four plants have closed and nearly 1,000 Canadian jobs have been lost. Plants located across the country include Lantic Sugar in Saint John, New Brunswick, to Rogers Sugar in Vancouver. Approximately 90 per cent of Canada's sugar production is refined from sugar cane and sugar beet. The remainder comes from the domestically grown sugar beet market, produced mostly on our western Canadian farms. Whether derived from cane or beet, Canada has an annual sugar production of about 1.1 million tonnes.

The sugar industry is one of significant and historic importance to Atlantic Canada and to the country as a whole. Sugar refining has provided stable employment and regional economic benefits for about 150 years. Given the employment challenges, especially in Atlantic Canada, that we face today, it is of paramount importance that the sugar industry be protected at all costs or more jobs will be lost.

Protecting the jobs of Atlantic Canadian sugar workers and those of the rest of Canada's sugar industry is extremely important to me and to the many members of the House and the other place who are members of our sugar caucus.

The Liberal Party's red book stated more power and opportunity would be given to members of Parliament to create and participate in a process that would benefit Canadians as a whole. I believe the all–party sugar caucus formed to protect our sugar industry from coast to coast is good evidence of this commitment.

Last June sugar caucus members from the three official parties went to Washington to meet with our political counterparts, the House of Representatives ways and means committee, officials from the United States department of agriculture, and representatives from the United States sugar industry to discuss problems that currently plague our sugar industry.

A notably difficult and separate issue from access is the Helms–Burton anti–Cuba legislation.

• (1105)

While the anti–Cuba bills originally proposed to prohibit the importation of sugar, syrups and molasses from any country that does such trade with Cuba, I am very pleased that changes have recently occurred and that the pressure exerted on the United States by our Prime Minister during President Clinton's recent visit and our own sugar caucus has resulted in this deal being struck to remove the sugar provisions from the House version of the bill which was formerly voted on in the House of Representatives.

The Senate version remains to be formerly introduced but the redrafted version retains a narrower requirement for certification of origin in respect of sugar, syrups and molasses. It is likely the Senate version will also follow the lead of the House of Representatives in deleting the references to sugar.

During our visit to Washington as a team of members of the House of Commons representing different regions of our country and representing all three major political parties we emphasized to our political counterparts that Canada was being unfairly targeted by the Helms–Burton legislation.

The combined efforts have resulted in significant changes to the legislation. This is viewed by our sugar caucus as a major victory in our fight to protect the jobs of Canada's sugar industry. The sugar caucus is extremely pleased to have contributed to the efforts made by our ministers of agriculture and agri–food, foreign affairs, and international trade on the anti–Cuba legislation.

However we must continue to fight to protect these jobs. Today the sugar industry in Canada provides 1,400 direct full time jobs across Canada. In the west many more seasonal positions are provided during the annual beet harvest. Aside from the direct number of jobs created, many other regional benefits flow from having a Canadian based sugar industry. The direct employment figures do not account for those employed by sugar containing product industries which have located in Canada to take advantage of Canada's low sugar prices.

Canadian industrial sweetener users employ thousands of people, with annual sales in the billions of dollars. The benefits also extend upstream. By creating demand for inputs the industry supports employment in supplier industries, including packaging and other inputs such as transportation, fuel and electricity.

However the principal problem that still confronts our sugar industry is restricted access to the U.S. market while our American friends enjoy unrestricted access to our market. In Canada, in our open and unprotected sugar market, consumers and industrial sugar users enjoy prices roughly one–half of what they are in our protected markets of the major sugar trading partners.

Canada's traditionally low sugar prices have had some very attractive benefits. Because of that Canada has attracted its processing sector which has benefited refiners, food processors, consumers and generally the economy as a whole. Canadian sugar producers continue to support free trade as being in the best interest of all Canadians. However that trade must be fair. The sugar caucus has proposed a solution to the problem of unfettered access of U.S. sugar to our marketplace.

Bill C–311 is an act to require the Minister for International Trade to retaliate against import restrictions introduced by the United States on Canadian refined sugar and sugar containing products.

• (1110)

In other words, the all–party sugar caucus wants to continue to fight to protect the jobs of Atlantic Canadians, western Canadians, sugar workers and the workers across this great nation by imposing the same restrictions on American sugar exports as those which have been imposed on ours.

The arguments for the actions outlined in Bill C–311 are very strong. I invite my colleagues from all parties to speak on this extremely important issue. The workers of Lantic Sugar in Saint John and the workers from the rest of our sugar industry are anxiously watching the debate to see what we as elected representatives will do to address the most important problem they are facing, tackling the unrestricted access to our market which the U.S. sugar industry is basking in.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I am extremely pleased to speak on Bill C–311, an act to require the Minister for International Trade to retaliate against import restrictions introduced by the United States of America on Canadian refined sugar and sugar–containing products.

I said that I was extremely pleased to speak on this bill, and I am pleased to do so of course, but also somewhat distressed at having to speak on such a bill. I feel it is an unfortunate bill not because the initiative of my colleague from Fundy—Royal is an unfortunate one, anything but, but because I think it is unfortunate we are placed in a situation at this time which requires us to discuss or pass such a bill.

It is unfortunate that the two largest trading partners in the world, Canada and the USA, have reached the stage of having to envision bills such as this one. It is unfortunate that these two countries, which share the longest undefended border in the world, are forced to assess, to envisage, to discuss bills such as this one. This bill from my colleague from Fundy–Royal, who also heads the sugar caucus, the all–party caucus to which he referred a few minutes ago, was introduced to this House in reaction, essentially, to two things.

First, to a decision by the United States to restrict unilaterally access to the American market by Canadian sugar products as of January 1 this year. On January 1, the United States decided to limit Canadian sugar exports to the United States to 8,000 metric tonnes for the period of January 1 to September 30. It will further reduce imports of sugar to 22,000 metric tonnes as of October 1. This is a considerable reduction, since in three months, from October 1 to December 31, 1994, we shipped more than 35,000 metric tonnes of sugar products to the United States. This is a considerable reduction.

As a result, sugar refineries in Canada and Quebec stand to lose $135 million, while in the process more than 2,400 jobs across Canada and Quebec may be lost. These unilateral reductions directly contradict the provisions of NAFTA and the provisions of the Uruguay Round agreements that led to the creation of the World Trade Organization.

The bill before the House today is also a reaction to legislation proposed in the United States, the Helms–Burton bill, which would prohibit any company importing sugar from Cuba from having access to the American market. The bill has already reached the floor of the House of Representatives and will soon be put to a vote in the U.S. Senate.

The consequences of the passage of such a bill may be quite serious for Canada and Quebec, since the bill may further restrict access to the U.S. market for Canadian and Quebec sugar refineries. As the hon. member for Fundy—Royal said earlier, we went to Washington to discuss the matter with our American colleagues, and we found that they were influenced by two

stubborn misconceptions, two misconceptions that will not budge.

• (1115)

The first misconception is that Canada is flooding the American market with sugar products. Let me say that this is totally false. It is totally false, because Canadian refined sugar represents only 1 per cent of the American market, and sugar containing products represent only 3 per cent of the American market, whereas the Americans occupy 13 per cent of our refined sugar market and 26 per cent of our market for sugar containing products. I say this to show how wrong this misconception is.

The second misconception that is very popular in the United States is the belief that Canada is dumping Cuban sugar on the American market—another belief that is totally wrong. It is totally wrong, because we differentiate in Canada between sugar produced in Cuba and anywhere else, and this differentiation is certified. The American authorities recognize this certification.

A few months ago, American inspectors came to Canada to check and were satisfied with the differentiation we make between sugar products from Cuba and other sugar products.

It is important to note as well that Canada imports more sugar from the United States than it does from Cuba.

While we were in Washington, people asked us if our mission was not a bit dangerous, if we did not think the Americans would take advantage of our being in Washington to try to obtain Canadian concessions on farm product quotas? Of course we did not, because the two matters are completely different.

Why are they completely different? The answer is very simple. In order to comply with the new provisions of the Uruguay Round, which gave rise to the World Trade Organization, Canada decided to transform its farm product quotas into tariff quotas, thus complying with the provisions of the Uruguay Round.

The U.S. in turn did not convert already existing quotas into tariff quotas but imposed new restrictions in flagrant violation of the provisions in the Uruguay Round agreements, in flagrant violation of the Marrakesh agreements.

This is a different situation because agricultural products were already subject to quotas. The Americans cannot claim that they were not aware of the situation since it already existed. All we did was modify it to comply with the provisions of the Uruguay Round agreement. As I pointed out earlier, the U.S. imposed new restrictions. So this is not a situation that existed before.

The two situations are totally different. One cannot put in the same basket a discussion about access to the U.S. market for Canadian sugar products and access to the Canadian market for U.S. agricultural products that are subject to quotas in this country.

We also saw when we were in Washington that even if the Americans do not try to link the sugar issue with the issue of supply–managed agricultural products, they will link it with anything else. In Washington, they talked to us about durum wheat, about softwood lumber, even about peanuts, believe it or not.

So the Americans are ready to link the issue of supply–managed agricultural products with anything. They will negotiate on anything to try to obtain concessions from Canada. They will negotiate on anything that relates to the sugar issue in order to extract concessions.

Finally, what must be understood is that they imposed new restrictions on sugar, simply to exert pressure on Canada, to force it to make concessions, whether on supply–managed agricultural products or on something else, which is totally unacceptable because the situations are completely different.

• (1120)

In this context, I think it should be pointed out that the government has been refusing for several months now to tie various trade issues to one another, considering them as completely separate issues, which are distinct from one another. I think that is desirable.

Bill C–311, finally, was put forward to show our American partners how concerned we were about the situation, how deplorable we found these additional restrictions imposed by the United States on Canadian sugar containing products. As I mentioned earlier, it is unfortunate that we have to debate a bill like the one before us today. That is probably why our colleagues have decided to make this bill a non votable item, because this kind of petty, eye for an eye, tooth for a tooth attitude of tying together discussions on completely different products does not fit in with our view of things, in Canada and Quebec.

We are for an open market and absolutely free trade, we abide by the terms of the North American Free Trade Agreement and the agreements concluded as a result of the Uruguay Round. In that sense, we are definitely not crazy about this kind of legislation, be it Canadian or American.

However, the purpose of this particular legislation is to clearly convey to our American partners that we will not tolerate such an attitude on their part and that, if need be, we are prepared to retaliate to make sure our rights as well as the partnership and trade relations between Canada and the U.S. are respected.

Of course this bill will not be voted on. We will not have to vote on this bill, and it will not be passed. But not passing this bill does not mean that the Minister of International Trade will not be authorized to retaliate or take other action against this kind of action taken by the U.S. government. Of course, the Minister of International Trade and the Canadian government will remain perfectly free, if required, to retaliate against this kind of attitude displayed by our American partners.

Nevertheless, as I said, I greatly appreciated the opportunity to speak on this bill, although it will not be voted on. But, as I said, the government has complete latitude and can count on our fullest support in any action it may initiate to strengthen economic relations between the United States, Quebec and Canada.

[*English*]

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, when Canada and the United States negotiated the free trade agreement that came into effect in 1989, both sides reserved their GATT rights. The United States retained its ability to take action under section 22 and Canada retained its quantitative restriction under article XI of the GATT.

The reservation of GATT rights were also incorporated in the North American free trade agreement five years later. In effect both sides, the Americans and the Canadians, agreed that a negotiated settlement on bilateral agricultural trade would be best achieved in the Uruguay round.

From 1982 to 1990, Canadian exports of refined sugar to the United States were subject to an absolute quota representing 1.1 per cent of the total U.S. imports. This roughly amounted to about 12,000 tonnes per year. Producers of raw and refined sugar from other countries were also limited to various shares of total U.S. imports.

• (1125)

In 1989 a GATT panel, at the request of Australia, concluded that the United States mechanism for imposing sugar import restrictions was in violation of the GATT. In 1990 the United States implemented the panel recommendation by converting its absolute quota on sugar into a tariff rate quota that essentially had the same effect as the quota it replaced.

For Canada, implementation of the GATT panel recommendation had an unexpected effect. The United States decided that due to the existence of the recently signed free trade agreement it would not apply the tariff restriction to Canada. That was a unilateral decision.

As a result, our exports of refined sugar, which had consisted exclusively of sugar made from Canadian grown sugar beets, have increased since 1987 from the previous annual level of 12,000 tonnes to an average of approximately 35,000 to 38,000 tonnes per year in the last three years. In fact we were able to triple the exports of refined sugar to the United States following the unilateral interpretation of the free trade agreement.

With respect to products containing sugar, the United States had an absolute quota in place as far back as 1983. Canada, like other countries, has always been subject to these quotas. During the last three to four years Canadian producers, for example, due to the high quality of their products and very competitive prices, have accounted for the vast majority of U.S. imports of sugar.

In 1989 the United States converted its old tariff schedule to the harmonized tariff schedule. In the process a U.S. custom service reclassified powdered drink bases, commonly known as crystal drink mixes, into a non–quota item. That has caused the Canadian exports of crystal drink mixes to the United States to increase rapidly.

[*Translation*]

In the case of refined sugar, the United States will apply a tariff quota of 22,000 metric tons, as of October 1, 1995. Canadian exports of refined sugar will be subject to that quota. As well, a tariff quota of about 64,000 metric tons has been in effect since January 1 of this year and includes crystal mixes for drinks and other products containing sugar.

[*English*]

The government has pressed the United States to allocate to Canada a specific share of both sugar and sugar containing product tariff rate quotas but the United States has decided not to do so. We regret this decision but it must be recognized that the United States is under no international trade obligation to allocate the tariff rate quota by country.

The imposition of unilateral retaliatory measures as requested by the bill would be a violation of Canada's international trade obligations as contained in the NAFTA and the agreement establishing the World Trade Organization.

[*Translation*]

International trade agreements define the circumstances which can justify the taking of retaliatory measures, as well as the specific procedures to be followed before a party can invoke the right to impose such measures. A party must first ask that consultations be held to find a solution to the problem. If such consultations do not bring mutually satisfactory results, the aggrieved party can ask that a dispute settlement panel be set up. If the panel concludes that the contentious action violates the contractual trade obligations of the other party, and if that party refuses to amend its action or to provide satisfactory trade concessions then, and only then, can retaliatory measures be taken. Moreover, the panel must be convinced that the proposed retaliatory measure is not disproportionate, given the prejudice suffered. By proposing unilateral retaliatory measures, Bill C–311 goes against the arbitration procedure.

• (1130)

Consequently, the United States might decide to challenge our action under NAFTA, or under the agreement establishing the WTO. Moreover, Canadian exports of sugar, and possibly some non–sugar products, might be adversely affected.

[*English*]

Bill C–311 does not take into account Revenue Canada's anti–dumping duty investigation into imports of refined sugar from a number of countries, including the United States. The investigation was initiated following a complaint by the Canadian Sugar Institute earlier this year and a preliminary finding of dumping was announced on July 7 of this year. As a result, Revenue Canada assessed provisional anti–dumping duties on imports of refined sugar from the United States.

The investigation is following its due course in accordance with Canadian trade remedies. The investigation has until October to make a final determination of dumping. This will be followed by the decision of the Canadian international trade tribunal on whether the Canadian industry is being injured by such imports. The decision of the Canadian international tribunal is also expected some time in November of this year.

I would also like to mention an important development currently taking place in the United States that could further complicate U.S.–Canada trade in sugar and products containing sugar. I am referring to the proposed U.S. legislation to expand the U.S. embargo on Cuba, the Cuban Liberty and Democratic Solidarity Act, 1995, also known as the Helms–Burton bill.

There were serious concerns earlier this year that the proposed legislation would lead to a ban on imports of Canadian sugar and possibly products containing more than 35 per cent sugar on the grounds that Canada imports raw sugar from Cuba. This would have affected over $500 million in Canadian exports of sugar and products such as confectionery, chewing gum, jams, jellies, gelatin mixes, as well as products already subject to U.S. quotas.

Canada has been actively registering its opposition to the proposed legislation with the U.S administration in Congress. A strong diplomatic note was delivered to the United States administration and ministers have raised Canada's concerns with their U.S. counterparts on numerous occasions. Furthermore, the Canadian ambassador in Washington has written to many congressional representatives on the issue. The government has emphasized that if legislation is passed banning the import of sugar and products containing sugar, Canada would have no option but to respond firmly.

We are pleased to see that subsequent revisions to those proposed bills have been made by congressional committees in the weeks prior to the summer recess of Congress as a result of Canadian interventions. Changes to the legislation are now being proposed that could reduce the impact on Canadian exports in sugar and products containing sugar. Most of the sugar provisions in the House bill were removed before the bill proceeded to the floor.

Unilateral retaliation not sanctioned by either the World Trade Organization or NAFTA dispute settlement mechanism would therefore not be helpful at this time.

Finally, on behalf of the government I would like to recognize the enormous work and valuable effort of the sugar caucus led by my colleague, the MP for Fundy Royal. I assure the House as well as my colleague from Fundy Royal that the government is fully seized of the importance of resolving the issue.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, it is my pleasure to speak to the private member's bill introduced by the member for Fundy Royal, Bill C–311.

I must confess that I do have a bit of a sweet tooth, so I can assure the member that I support the thrust of his bill. I am certainly not interested in seeing the Canadian sugar industry damaged in any way, especially not through unfair trade restrictions on the part of Americans. I know of the concern of all parties in the House regarding the possible damage to our sugar producers and I commend the work of the sugar caucus in this regard.

I can imagine though that the bill comes at a rather awkward time for the government, since the Americans are taking us to task for tariffs we have put on that have precisely the same origin as the one the bill is attacking. I have to wonder if during the negotiations on the GATT we were outmanoeuvred and outnegotiated in this area when we allowed the Americans to expand the category for sugar into refined products as well.

• (1135)

I would like to give a bit of background. On January 1 of this year all countries that signed on to the Uruguay round of the GATT were required to replace existing import quotas with tariff rate quotas that would provide similar protection to vulnerable industries, with the proviso that these tariff rate quotas would eventually be reduced and dismantled.

For those members who do not know what tariff rate quotas are, if they do not know the difference between a TRQ and an O Henry bar, I would like to tell them. A tariff rate quota is a cut off level. Up until that cut off level has been reached no tariff is payable. After the TRQ is reached a tariff comes into play, which is usually so sizeable that it discourages imports altogether.

On January 1 the Americans put into place a TRQ of 64,000 tonnes on all products containing sugar, such as drink mixes and gelatin desserts. At the same time, TRQs of 8,000 tonnes until the end of September and 22,000 tonnes from October to December were put in place for refined sugar. Since Canada is not the only country that sells sugar and products containing

sugar into the United States, our share of the TRQ will be substantially below that level.

It is ironic that the GATT, which was intended to provide gradual expanded access, has actually led the Americans to restrict access in this regard. This is grossly unfair and totally contrary to the spirit of the Uruguay round. Furthermore, the Canadian Sugar Institute informs me that the Americans have taken advantage of the GATT tariffication by expanding this category to include items that were previously unrestricted. The Canadian Sugar Institute predicts that these restrictions could potentially lead to the loss of 2,400 direct and indirect jobs. It is a very serious matter.

I know that the hon. member who initiated the bill is concerned about the closure of one Canadian refinery, resulting in 700 immediate jobs. He predicts an additional 1,700 jobs will be lost through the reduced production of products containing sugar.

The hon. member proposes in his bill that consultation take place between Canadian and American governments to determine whether previous levels of access can be restored. If after 60 days no satisfactory resolution is reached, American access to Canadian sugar and the sugar products market will be restricted in direct retaliation. More precisely, the American share of the Canadian market will be reduced by an amount equivalent to the Canadian market share of the American market.

Research indicates that prior to these restrictions the Canadian share of the U.S. market was quite small. It was said earlier that it was about 3 per cent. At the same time the American percentage of our market share is 23 per cent. Presumably, American imports would be held to 3 per cent, a reduction of some 20 per cent, if we took this step. This would allow for some of the displaced Canadian sugar to find a domestic home. That is the kind of thing we have to do. We have to give protection to our Canadian producers.

The American sugar industry is highly protected. The U.S. government guarantees producers prices that are up to double the world market price and it maintains these high prices by restricting imports. The American government also provides loans to U.S. producers, loans which are guaranteed by their sugar crop. If prices fall too low and producers cannot repay the loans, the farmers simply forfeit a part of their crop or all of their crop, leaving Washington holding millions of tonnes of unwanted sugar. That is exactly what we were trying to stop through the Uruguay round of the GATT.

Not too long ago Washington assigned allotments or quotas to domestic producers, which could now force a lot of the excess sugar northward across our border. It is entirely possible, as the U.S. border closes to our Canadian sugar products, that our market could be flooded by the same American sugar products that are highly subsidized and trying to find a new home. In the past the Americans have sold Canada twice as much sugar as they buy from us, running up surpluses of some $230 million.

• (1140)

Another fact worth noting is that the industry in Canada is extremely efficient and only about 10 per cent of it receives deficiency payments when prices drop. I am referring to the refined beet sugar industry in Alberta.

Even though I support the bill I wonder whether another approach might not be just as good, if not better. Since the American industry is heavily subsidized, I wonder whether instituting a countervail action might not be a more honourable way to proceed. We do not need to let the Americans get away with this underhanded action, yet it would be preferable if we could take the high road and not stoop to the same level. It is just a thought. I guess we need to bring the Americans to the table and negotiate an end to the situation.

I support the bill. Should it become votable I will vote in favour. I certainly do not want anything to disrupt my supply of bonbons.

In conclusion, I would ask the House for unanimous consent that Bill C–311 be given votable status and that it be voted on, on Thursday, October 5, 1995.

[*Translation*]

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I rise in support of the bill before us to protest the trade practices exhibited by the United States against the Canadian sugar industry and against Canadians.

The U.S. imposed severe new trade restrictions against Canadian sugar and products containing sugar on January 1, 1995, effectively closing its borders to imports of Canadian refined sugar and food products containing sugar. Its actions unfairly penalize the efficiencies of the Canadian sugar industry and unfairly penalize Canadians.

The United States extended the coverage of a tariff rate quota on products containing sugar by including crystal drink mixes, for which Canada is the main supplier. Also, on January 1, 1995, the United States limited Canadian exports of refined sugar to 8,000 tonnes until September 30, 1995, further eroding Canada's access to the U.S. markets.

The unwillingness of the United States government to act fairly in attempts to resolve the dispute and its disregard and violation of general fair trading principles has resulted in undue harm to Canadians, with potential consequences for the sugar beet growers, sugar beet processors and Canadian cane refiners in the long term.

[*Translation*]

There is a severe reduction in sales of Canadian sugar and products containing sugar in the United States and an increase in American sugar sales in Canada. Canadian producers are paying dearly for this and Canadian jobs are being cut.

Entire communities have suffered, and additional job losses are predicted. According to the Canadian industry, the Americans constitute about one quarter of the Canadian market, while Canadians represent only 3 per cent of the American market. That difference is remarkable. Far worse, while the American share of the Canadian market is on the upswing, the Canadian share of the American market is decreasing. American exports to Canada are four times greater than Canadian exports to the U.S.

Our market is open and barrier free. On the other hand, Canadians are faced with tariffs which discourage free trade between the two countries.

[*English*]

Signatories to the General Agreement on Tariffs and Trade, which include both Canada and the United States, agreed that they would reduce barriers to trade and increase market access over time, with the objective of creating a more open and stable trading environment.

[*Translation*]

I myself have seen the damage to communities and individuals. BC Sugar Refinery Ltd. is located in the Port of Vancouver in my constituency of Vancouver East.

On June first of this year, the company's western Canadian operations were consolidated under the name Rogers Sugar Ltd. Rogers Sugar is the main sugar outlet in the west but it has had to lay off 17 per cent of its employees in the last 16 months. Most of the lost jobs were in Vancouver, the others in Alberta and Manitoba.

[*English*]

Unless the restrictions against Canadian sugar are lifted, Rogers Sugar may be forced to lay off more of its employees. Across Canada the situation is equally as dire, if not more so.

• (1145)

Since 1980 we have seen the closure of four Canadian sugar refineries and job losses in excess of 40 per cent are a direct result of these practices. We risk the closure and the relocation of many Canadian companies to the United States lured by lower prices for sugar.

The U.S. trade restrictions also hurt Canadians as consumers as they result in higher sugar prices and may lead to the decline of high quality domestic sugar.

The sugar industry has enjoyed years of success and has provided meaningful employment for hundreds of Canadians across the country. It has demonstrated it is efficient and cost competitive, but the viability and very existence of our sugar industry is threatened by unfair trade practices. The Canadian government has acted in good faith throughout and has worked diligently to resolve this dispute and is left with this option, the measures contained in the bill.

[*Translation*]

I would like to conclude by stating how proud I am of the efforts of Canadian parliamentarians to resolve these differences. A parliamentary caucus has been set up by my colleague for Fundy—Royal and I am very proud to have also been a member.

The participating MPs and senators represent all parties in the House. They, along with representatives of the sugar industry, have worked very hard to resolve the matter. I am sure that this co–operation will help Canada persuade the Americans of the importance of reducing tariffs in this area.

[*English*]

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I appreciate the opportunity to speak to Bill C–311.

I support the remarks of the hon. member for Fundy—Royal which were very appropriate, very accurate, very non–partisan and certainly appreciated by this side of the House. The Bloc Quebecois member and member of the sugar caucus, the hon. member for Verchères, also made very appropriate remarks. I totally endorse his remarks as well since they were a very positive and constructive contribution to the debate and to the support of the principle of the bill before us.

I would also like to thank my colleague from Peace River, the Reform caucus trade critic for his support of the sugar industry whether in the area of production of sugar beet sugar or the import of sugar cane, which is refined in our country, and for supporting the industries that use Canadian sugar in a variety of products that are exported not only to the United States but to many other places in the world.

I give those compliments on the grounds that it shows this issue can be dealt with in a non–partisan way. It is a basic issue to the country. It is a basic area where Canadians can compete in the world market, can make a contribution not only economically but also in an indirect sense can provide many social benefits to the Canadian fabric.

I support the comments made with regard to the Helms–Burton bill. I am pleased like other members here that Congress and the Senate are seeing fit to make some changes that will be of benefit to the sugar industry of Canada.

I want to support the concepts already before the House, with regard to the attitude I gathered of the American Sugar Alliance. The alliance is an executive group which represents not only the producers but also the refiners, the sugar beet producers, the cane producers and the refiners of those two respective products. I want to talk about that group's attitude with regard to the situation and the advice they gave us as a committee when we visited Washington.

I would have to say very bluntly that we were stonewalled in our presentation. I raised a question with the alliance. I said to the alliance: "I believe we have set before you the current Canadian circumstances. We are going to have limited exports. The exports will be reduced in terms of refined sugar from some 43,000 tonnes down to 22,000 tonnes. Of that 22,000 tonnes we in Canada may get some. We may get half. We may get a little more than that, but we could end up not receiving any portion of that 22,000 tonnes of export opportunity into the U.S. market". We could be shut out completely if the Americans wanted to do that.

• (1150)

I also said: "Between our two countries we have the concept of free trade. My sugar beet producers back home support free trade. The refiners support free trade. We are open to that concept. We feel that could work very well between our two nations".

I asked how we could work together, how we could improve the circumstances we face in Canada and what they were prepared to do as an alliance. Their remarks were very clear and forthright: "Why do you not go home and do what we have done in the United States? Why not do the same thing?" What does that really mean?

It means we would put on import quotas with regard to some products. Maybe we would have to use other products as leverage, but we would put a quota on the import of sugar and products containing sugar into Canada. We would be reversing a trend that is the essence of free trade. That was the first thing they asked us to do, to go home and do the same thing they were doing with regard to imports.

I asked about pricing. They said to go home and establish a pricing system so there is a floor price for sugar in Canada, which there is not today, and our sugar producers are not asking for that. "Go home and do the same thing". They said to go home and put on import quotas, go home and put a floor price on sugar.

That is totally in contrast and is a negative interface into the way we want our North American economy and our economy relative even to Mexico to evolve. We want free trade and an open system by which we can work together, compete together, but also profit together. It is totally in contrast and I was very disappointed in that.

I raise that issue because underlying that attitude are political forces which exist in the United States. Congressmen who represent sugar beet areas, sugar producing areas or sugar cane areas, or refiners in their respective constituencies are faced with that dilemma. They are lobbied by the sugar alliance to work against opening the borders to Canadian exports so that we could again maybe export 43,000 tonnes of refined sugar.

A major portion of that sugar was sugar beet sugar from southern Alberta. We can clearly understand the effect that has on my constituency of Lethbridge and the constituency of Medicine Hat which is adjacent to mine where there is a major industry. The sugar beet industry has been one of the solid foundations of the economy of southern Alberta. Losing it would be a drastic disaster to the cities of Lethbridge and Medicine Hat, the rural areas and Alberta as a whole.

We are fighting against that kind of attitude and that kind of politics in these negotiations. I ask that when the government is in negotiations it understand that force is out there. Part of our strategy as Canadians and as a sugar caucus is that we must deal with it knowing there is this kind of anti–force when working toward free trade, a free exchange of ideas and free competition between our two nations.

I certainly support the concept of the bill. It may be a lever to try and open up the discussions and to relax some of those political attitudes which now exist in the mill and which we have to deal with to come to the conclusion we think should be arrived at.

• (1155)

I appreciate the work the chairman of the sugar caucus has done. I appreciate that the government has made representations on the issue but I urge it to work quickly. It was indicated to us that around September 15 the U.S. department of agriculture would be making a recommendation on what portion of the 22,000 tonnes we would get as Canadians. I hope the government and the ministers of agriculture and trade are making a strong recommendation.

We should have at least two–thirds of that 22,000 tonnes for Canadian exports. If that were there at least we would be able to have some assurance that our sugar beet industry and cane industry in terms of refining would be stabilized and we would be able to continue in the year or two ahead.

Mr. Paul Zed (Fundy—Royal, Lib.): Mr. Speaker, in closing the debate today I pay tribute to the new process which in many ways we as members of Parliament have brought about in a modest way in attempting to speak out for an issue that stands for all of us in Canada. That is the issue of our sugar workers, whether those workers are working in the fields of western Canada or producing and refining sugar in Montreal, Vancouver or Saint John. I am very gratified to express to all members of the sugar caucus my appreciation for their co–operation, guidance and advice.

This is a complex issue which has affected all of our constituents. As I said in my opening remarks, we have lost almost four and possibly five plants over the last 10 years in Canada and 1,000 direct jobs. We are very worried about the industry.

Bill C–311 is a line in the sand, or a line in the sugar in this case. We as members of Parliament have said we are looking for levers. We are looking for ways to express our concern, our dissatisfaction and our outrage at the way Americans have access to our market. Yet we do not have unfettered access to theirs.

I urge the House leadership and the ministers of agriculture and international trade, as the hon. House leader for the Reform Party has said, to make a very strong case to our American cousins. Tell them we need some of the rate quota that is being allocated over the next couple of weeks. If we can get some of that quota back, our caucus will have gone a long way in making some important statements to the Americans. They will understand this is not a political issue for us in terms of Liberals, New Democrats, Reform or Bloc; this is a Canadian issue affecting all of us. It affects all workers in our country.

With that I want to thank the House. Perhaps because it is a very important issue and an issue of such strong national concern, I would like to make a last plea that we be given an opportunity to vote on the issue. I move for unanimous consent to have that voted on now.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: There is not unanimous consent.

[*Translation*]

Since no more members wish to speak and the motion was not selected as a votable item, the hour provided for consideration of Private Members' Business has now expired and the item is dropped from the Order Paper, pursuant to Standing Order 96(1).

GOVERNMENT ORDERS

• (1200)

[*Translation*]

EXCISE TAX ACT

Hon. Michel Dupuy (for the Minister of Finance, Lib.) moved that Bill C–103, an act to amend the Excise Tax Act and the Income Tax Act, be read the second time and referred to a committee.

Government Orders

He said: Mr. Speaker, it is a pleasure to introduce the second reading stage of Bill C–103, an act to amend the Excise Tax Act and the Income Tax Act. The purpose of this bill is to support Canada's cultural industries, and especially the periodicals industry.

Canadian periodicals are essential to cultural expression in Canada. They bring Canadians together from coast to coast. They provide a clearing house for the exchange of ideas and information. They disseminate information and points of view that are specific to this country and provide a voice for the country's artistic and cultural expression.

Issues that concern Canadian periodicals are important to the public. More than 1,400 periodicals are sold in Canada. They are an integral part of the media environment of Canadians and, from the economic point of view, constitute a substantial part of the cultural sector.

Today, more than 92 per cent of the content of Canadian periodicals is Canadian. Some of the more popular ones which have a long publishing history, like *Saturday Night* and *L'Actualité*, have become genuine institutions.

Strong and diverse editorial content notwithstanding, limited circulation figures will necessarily restrict the volume and viability of Canadian periodicals. The problem is the relative size of the market and economies of scale.

Over the years, Canadians have consistently shown that periodicals are important to them. For instance, in 1978 and in 1990, an increasing number of families preferred to spend their recreation budget on Canadian or foreign periodicals as opposed to any other cultural activity, with the exception of buying newspapers.

Bill C–103 provides for the implementation of two measures which I announced following recommendations by the task force on the Canadian periodicals industry. The first measure consists in imposing an excise tax in respect of split run editions of periodicals distributed in Canada. In these split run editions, publishers reuse content which was targeted at their own market and which made money there and insert new advertising intended for a foreign market.

These so–called Canadian split run editions are inexpensive to publish and attract lucrative advertising. It is therefore not surprising that they pose a serious threat to the long term viability of the entire periodical industry.

The second measure is an anti–avoidance rule with respect to the deductibility of advertising expenses. Let me explain. Advertising revenues are essential to the survival of the periodical industry; 65 per cent of the revenues of Canadian periodicals come from advertising. Since 1965, two measures taken by the Government of Canada have helped inject advertising revenues into the Canadian periodical industry. These revenues enable it to live alongside the powerful American periodical industry,

which has direct access to readers, to newsstands and to Canadian distributers.

These two measures are custom tariff 9958, which prohibits the importing of split run periodicals, and section 19 of the Income Tax Act, which permits the deduction of the costs of advertising directed primarily at the Canadian market, on the condition that this advertising is placed in Canadian editions of Canadian owned or controlled periodicals.

• (1205)

These measures paid off, because they led to the growth of the Canadian periodical industry. Thanks to them, the industry has expanded and prospered.

In April 1993, however, *Sports Illustrated Canada* was launched in Canada. It was a split run edition, printed in Canada and transmitted directly electronically from the United States. Canadian advertisements were substituted for American ones, and a little Canadian content was added. *Sports Illustrated Canada* managed to get around custom tariff 9958, because most of its content was sent electronically from the United States. It was simply a loophole in the tariff laws since electronic transmission made it possible to avoid tariff regulations.

In March 1993, the Government of Canada set up a task force on the Canadian magazine industry. The task force's mandate was to find ways to modernize the existing measures underpinning government policy on the magazine industry.

After researching the problem, the task force concluded that split run editions presented a real threat to the Canadian magazine industry, which stood to lose up to 40 per cent of its advertising revenue over a five year period. According to the task force, such losses would put many magazines out of business and marginalize even successful ones.

Task force members explored several avenues and finally concluded that the proposed excise tax was the best solution. It could be designed and implemented in order to avoid split run editions.

The task force's main recommendation is therefore the key element of this bill, whose purpose is to amend the Excise Tax Act and address the problem of split run editions printed in Canada. This new excise tax would apply to all periodicals distributed in Canada and containing more than 20 per cent of reused editorial material as well as one or more advertisements aimed at Canadians.

The proposed amendments to the Excise Tax Act will impose an 80 per cent tax on the value of all advertisements appearing in a Canadian split run edition. Depending on circumstances, the tax would be paid by Canadian publishers, distributors, printers or wholesalers and not by consumers.

Periodicals otherwise subject to the tax would be exempted from the tax based on the number of split run editions that were distributed in Canada during the 12 month period ending on March 26, 1993, the day the task force was set up.

This tax would not restrict access to the foreign periodicals Canadians enjoy reading. It will make it possible to modernize a government policy that is already several years old.

[*English*]

The proposed amendment to the Income Tax Act will add an anti–avoidance rule to section 19 of the act. The purpose of this provision is to ensure that newspapers and periodicals that claim to be Canadian are in fact Canadian owned and controlled for the purposes of the act.

• (1210)

The other recommendations of the task force deal with strengthening the industry through increasing the effectiveness of existing measures. Bill C–103, the legislation now before the House to amend the Excise Tax Act and the Income Tax Act, would not change or create new policy concerning Canada's magazine industry. It would simply provide a new tool to support a longstanding magazine policy. The tax would close the loophole in the existing policy framework.

The emergence of *Sports Illustrated* Canada as a new Canadian split run edition revealed to us that we should re–examine our policy instruments which support the Canadian magazine industry. This led to the formation of the task force, the resulting recommendations and the proposed new excise tax. In short, we are modernizing the policy tools that underpin this important sector of Canada's cultural industries.

I repeat that the excise tax would not result in a tax for Canadian consumers. The publisher, the distributor, the printer or the wholesaler of any magazine subject to the tax would be responsible for paying the tax.

Why is the tax necessary? In view of the challenge to federal magazine policy and in particular to custom tariff No. 9958, some means must be found to maintain an environment in which Canadian magazines can survive and flourish. Canadian magazine publishers would be at a grave disadvantage if they were forced to compete for advertising revenues with magazines that have recovered their editorial costs in markets which are much larger than the Canadian market. The average profit for a Canadian periodical is only 2.6 per cent. To compare, the average profit for U.S. consumer magazines is 12 per cent. Advertising is the most important source of revenue for magazines, accounting for 65 per cent of income. Ensuring adequate access to those revenues is essential in maintaining a healthy Canadian magazine industry, benefiting all magazines in all regions of the country.

The *Sports Illustrated* Canada case has sent a signal that it is not possible for split run editions to enter the Canadian advertising market in spite of the policy measures in place. The threat to the health of the industry is real. The Canadian industry could lose up to 40 per cent of its advertising revenue over five years. The task force noted that such a loss would put many magazines out of business and marginalize even successful ones.

Clearly we do not have the resources to provide the magazine industry with a direct subsidy program that would offset the split run problem. The proposed tax, however, would bring the support framework up to date.

The Government of Canada is committed to the continued existence of a viable Canadian magazine industry. We recognize that advertising is key to the health of the magazine industry. The new tax is consistent with Canada's international trade agreements and obligations. Canada is the most open country in the world to imported magazines. The new excise tax will not limit the access of Canadians to foreign publications. Furthermore, the new tax will not be borne by the general consumer.

Finally, the new excise tax updates the legislative framework supporting Canada's longstanding magazine industry. The Government of Canada agrees with the findings of the task force on the magazine industry. The best way to support the Canadian magazine industry is to adopt measures which will encourage original content, regardless of the country of origin. We do not want the kind of recycled editorial material that is commonly dumped into split runs. We want a Canadian magazine industry that reflects Canadian voices.

• (1215)

The legislation now before the House for second reading promises to provide the kind of environment in which the Canadian magazine industry can survive and thrive.

I urge my colleagues in the House to promptly pass the legislation.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my remarks today will focus on Bill C–103, an act to amend the Excise Tax and the Income Tax Act. This bill's purpose is twofold: to put an end to the distribution of split run editions in Canada by imposing a tax at the rate of 80 percent of the value of all the advertisements contained in these editions and, second, strengthen section 19 of the Income Tax Act so that tax deductions for advertising in Canadian newspapers or periodicals really apply only where the advertisement is placed in newspapers and periodicals owned by Canadian interests or ones with Canadian content.

How is split run edition defined in the legislation? Split run edition of a periodical means an edition of an issue of the periodical that is distributed in Canada, in which more than 20 percent of the editorial material is the same as editorial material that appears in the original foreign issue, and which contains advertising sold in Canada.

Let us now ask ourselves what justifies the government in taking such action. Is it acting out of sudden concern for Canadian culture or is this a positive step taken by the heritage minister? No such thing. As usual, instead of acting on its own initiative, the government is merely reacting to legitimate pressure exerted by the Canadian periodical industry for many years.

In fact, after Time Warner announced its intention to print a split run edition of *Sports Illustrated* in Canada, the Canadian magazine publishing community reacted strongly to this announcement, especially since this would considerably reduce Time Warner's advertising expenditures, thereby draining the magazine advertising market.

The magazine industry began to exert this pressure, and sounded the alarm back in the spring of 1993. It would have been appropriate for the government to act then, since the Mulroney government had all the tools required to do so at the time. Instead, he shirked his responsibility and appointed a task force on the Canadian periodical industry. The Liberal Party, which then formed the opposition, denounced the Conservatives' failure to act regarding that issue, as well as their lack of energy in defending Canadian culture. Who would have thought that, once in office, the Liberals would do nothing in the first two years of their mandate for Canadian culture, except to sell it piece by piece on a silver platter to American interests.

In March 1994, the task force released its report. It was not until June 1995, over a year later, that the government replied to the recommendations contained in that report by tabling Bill C–103, which we are debating today. Now that we understand what brought on this legislation, let us ask this question: Why did the Canadian periodical industry object to a split–run edition of *Sports Illustrated* on our market? First, because the situation of the Canadian market for magazines is precarious and even fragile.

Indeed, in 1991, more than half of the 1,440 magazines sold in Canada had never generated any operating profit, while such profits for the industry as a whole stood at 2.36 per cent. To make things even worse, these operating profits were on a downward trend. From 1987 to 1991, operating profits for English language magazines went from 5.2 per cent to 2.6 per cent, while those for French language magazines went down from 8 per cent to 2.7 per cent. In fact, the Canadian market for magazines must face the same pressures as our audio–visual industry.

The six main factors which make this industry fragile were well summarized by the task force in its report entitled *A matter of Balance*.

• (1220)

These factors are as follows: First, there is the massive penetration of imported magazines. According to the task force, foreign magazines account for 81.4 per cent of all magazines sold in newsstands, and for a little more than half of the total number of mass circulation English language magazines in Canada. As in the case of the audio–visual industry, that foreign penetration is mostly of American origin. For example, English language foreign magazines sold in Canada total close to 236 million copies, of which 233 million come from the United States. Therefore, Canada annually imports 25 times more magazines from the U.S. than it exports.

Second, because of Canada's relatively small population and the fact that it is split into two different linguistic groups, the potential number of readers here is only one tenth of that in the United States. This severely limits the potential circulation of our magazines, as well as the revenues which can be generated from advertising.

Third, Canadians are interested in foreign cultural products and are therefore avid readers of American magazines.

The fourth factor is the price of imported magazines compared to Canadian ones, which have to try to be competitive. However, it must be recognized that foreign magazines, which have a greater potential number of readers, generate more advertising revenues and, consequently, produce magazines which may be more appealing and which are certainly cheaper.

Fifth, competition by foreign magazines at the newsstand. Over 81 per cent of English magazines which can be found in newsstands are imported from the United States. I believe that magazine subscriptions depend, to a large extent, on the visibility of the magazine at the newsstand.

Sixth, the ban on tobacco advertising in Canada was very costly for Canadian magazines, depriving them of at least $10 million in revenues, based on statistics for the last year when advertising was allowed. Meanwhile, this type of advertising was still allowed in the United States earning American magazines $224 million in 1992. Obviously, such an injection of money makes it possible to sell the product much cheaper.

To protect the magazine industry, Canada took measures which, for years, satisfied the industry. The first one was the postal subsidy, which is 100 years old and which I will come back to later. The second one is section 19 of the Income Tax Act, which allows taxpayers to be granted a tax deduction if they advertise in a Canadian magazine defined as being 75 per cent Canadian owned with 80 per cent Canadian editorial content.

However, this measure is affected by the bill before us which is aimed at tightening this provision, following a recommendation to this effect by the task force. A number of witnesses reported that Taxation Canada was lax in controlling the application of this provision. Several taxpayers are said to have claimed advertisements in magazines which did not meet either of the above mentioned section 19 criteria.

The third measure is Canadian custom tariff 9958 preventing split run editions from entering Canada. Spilt run magazines printed outside Canada were not allowed in. For thirty years, this legislation kept them from entering Canada, but *Sports Illustrated*, using technology, outsmarted Canada in its efforts to protect its periodical industry, transmitting via satellite the American content of the magazine to be printed in Canada.

The bill before us today redresses this situation. If it passes, which remains to be seen, the distribution of split run editions will be banned or those involved will have to pay an 80 per cent excise tax on advertising revenues derived from this transaction.

Without the prospect of earning a lot of money at the expense of Canadian culture, *Sports Illustrated* should disappear soon.

• (1225)

The Bloc Quebecois agrees with the last two measures the government is proposing in the bill we are debating today, that is the tax and the limited application of section 19 of the Income Tax Act.

We will support the government in its efforts to abolish this loophole which allowed *Sports Illustrated* to squeeze out of Canadian magazines 250,000 dollars' worth of advertising for each issue published.

However, we feel that the government is stopping half way. The task force did recommend other measures to support the Canadian magazine industry. We would like the government to follow up on these recommendations as soon as possible.

Let us come back for a few minutes to the postal subsidies program. Created more than a hundred years ago, this assistance program is really useful for readers. It allows all Canadians to receive magazines, books and newspapers through the mail since it helps pay for the real cost of transporting such reading material. Not so long ago, that program's budget was $220 million a year.

At the beginning of the eighties, the government and the Magazine Association of Canada began negotiating the updating of that program. They even agreed on a replacement formula. But then the federal government decided to make some arbitrary cuts. The replacement program was never implemented. Nonetheless, the resource envelope of postal subsidies will decrease from its 1990 level of $220 million to $50 million in 1996–1997.

In its report, the task force wrote this about postal subsidies, and I quote: "The viability of the Canadian magazine and periodical industry depends heavily on the postal subsidy. Canadian newsstands, particularly in the English language market, are dominated by foreign publications: only 18.6 per cent of the English language consumer magazines sold at newsstands are Canadian. The task force strongly urges the government to recognize the vital importance of this program to the industry and to preserve it for future years".

The Bloc Quebecois invites the government to follow up on the task force recommendation to freeze funds for the postal subsidy program at the level they were in 1995.

The task force on periodicals put forward another measure on which the government remains surprisingly silent: the abolition of the GST on all reading materials. The task force wrote in its report, and I quote: "The government should give serious consideration to eliminating any sales tax on reading materials in any new tax regime that includes exemptions".

This tax must be eliminated for several reasons. First, it was a Liberal promise. In March 1994, Carol Martin, a reporter, wrote in *The Canadian Forum* about the magazine situation. He was reminding us that the Liberal caucus had adopted the following resolution, and I quote:

[*English*]

"A Liberal government would reaffirm the historical principles embodied in tax free stages for the printed word and remove the goods and services tax, GST, on reading materials".

[*Translation*]

According to the Magazine Association of Canada, 50 million U.S. copies will not pay the GST and thus enjoy an undue advantage of 7 per cent over their Canadian counterparts.

The subscription loss due to the introduction of the GST is another reason for eliminating this tax. The Canadian magazine industry had predicted that it would lose one percentage point of subscribers for each tax point that was introduced. Unfortunately, the facts proved it was right. During the first year of the GST implementation, the subscriber rate fell 6 per cent.

Finally, among the G–7 partners, Canada holds, with Germany, the sad record of the highest tax on any reading material.

• (1230)

Another recommendation by the task force deserves consideration, and the Bloc Quebecois urges the government to implement it as soon as possible, given its financial situation. Here it is: "That the federal and provincial governments, their agencies and corporations, make every effort to support the Canadian magazine industry by placing magazine or periodical advertisements directed at the Canadian market in a way that is consistent with federal government policy regarding Canadian periodical publishing".

That recommendation is all the more meaningful when we realize that the Canadian government is one of the 30 biggest advertisement buyers in *Time Magazine*, a grandfathered split run periodical. Through its action, the government undermines its own directives concerning advertisements in foreign magazines.

Finally, the Bloc Quebecois would have liked the Minister of Canadian Heritage to draw a lesson from his last two years' experience and swiftly implement the following recommendation made by the task force: "That the Investment Canada Act be amended to provide that, when the Minister responsible for that Act issues an opinion or takes any step or makes any recommendation in connection with matters relating to Canada's heritage or national identity concerning magazines or periodicals and the applicability of the Investment Canada Act, he or she do so with the concurrence of the Minister of Canadian Heritage".

It is indeed surprising that the bill before us today remains silent on this crucial point for the heritage department, all the more so because that recommendation was not included in the report by accident. Here, in fact, is the underlying anecdote.

In March 1993, when Time Warner thought about launching a split run edition of *Sports Illustrated* in Canada, they went to see Investment Canada. Time Warner wanted to know if Investment Canada would consider the coming of the split run edition of *Sports Illustrated* magazine as a new business and, in that case, subject to an investigation, or if instead it would consider it simply as the continuance of Time Warner's activities in Canada. At the time, Investment Canada informed Time Warner that it considered the coming of *Sports Illustrated* as the continuance of Time Warner's activities in Canada.

When Canadian magazines owners heard that Investment Canada had given its approval to the coming of a split run edition of *Sports Illustrated*, they naturally went to the minister who was supposed to be their natural defender, the Minister of Communications. However, nobody in the communications department was aware of the authorization given to Time Warner by Investment Canada, neither the minister nor the deputy minister.

Now I would like to let the members of the task force speak, since they reflect my way of thinking and that of the Bloc Quebecois. I quote: "Indeed, the Task Force considers it essential that the Minister responsible for the *Investment Canada Act* obtain the concurrence of the Minister of Canadian Heritage before issuing an opinion on the applicability or non–applicability of the Act or taking any other step related to a proposed investment in the magazine or periodical publishing and distribution sector".

By the way, I would like to take this first opportunity I get to remind the minister that we are still waiting for the government publishing policy he promised us following the Ginn Publishing incident. Now, our neighbours to the South, through their trade secretary, Mickey Kantor, have reacted to this bill now before the House. The Canadian government which has always been very impressed by this U.S. spokesperson until now, must not give in this time. We must see the process through and see to it that this bill is given assent.

If the government does not put an end right now to these split runs like *Sports Illustrated*, if it does not set Time Warner straight right now, the task force on the Canadian magazine industry believes that, first, 94 per cent of all profitable magazines would move to zero operating profit; second, the viability of the Canadian periodical publishing industry would be at risk; and third, as the task force put it, and I quote: "The Canadian magazine industry would be seriously hurt by the entry of split–runs, and its important contribution to Canadian communication and cultural development would be diminished".

• (1235)

I am worried. I am afraid that the government will backtrack and I even doubt whether it will go through with this bill.

In the last few years, in culture, the Canadian government has shown so many times that it was putty in the hands of the United States that I fear the worst.

On September 15, at the Canadian Conference of the Arts held in Toronto, the heritage minister gave a so–called major speech on culture before an attentive audience. However, during his speech, he barely mentioned this bill which is one of the most important cultural initiatives undertaken by his government since it came into office. I have carefully read and reread his speech, from beginning to end. I would like to say a few words about that speech to you and to those who are listening today because the truth has to be told about the Liberals who were very quick to criticize when they were in opposition, but who have become a very passive and wait–and–see government. There is a clear lack of leadership from this government, particularly in the area of culture.

Two aspects of the minister's speech captured my attention. First, the Minister of Canadian Heritage shared his feelings about our neighbours to the south. He reminded us, among other things, that, for many Americans, the word culture has no particular meaning, that it is only the forces of the products and of the entertainment industry that count.

Concerning the information highway, the minister said, and I quote: "We certainly have to keep in mind that the United States have already indicated, in international negotiations or through retaliation measures, their intention to limit the development of our Canadian cultural policy." Continuing his overview of our cultural policy, he then talked about the film and video sector. On that subject, he accused previous governments of not having done enough in this area. He said, and I quote: "Today, a large part of this sector is owned by foreign interests and most of the revenues from this sector leave the country."

He added: "As for our relationship with the American film industry, it is a different story. You are all aware of the American presence in our movie theatres and in our video market and you are also aware of the unsolved problem with regard to film distribution—We want a film industry that is truly Canadian—This requires fundamental changes in the American mentality and in the way Americans do business. They should stop considering Canada as being part of the American market. They know better than anyone how to finance new productions through the marketing of commercial rights. They also know that our ability to do the same is limited by the lack of a level playing field."

To conclude his thoughts about the United States, the minister said that he hopes, one day, to share the opinion and the optimism of Robert Lantos, president of Alliance Communications, who said at the Montreal World Film Festival that he sees encouraging signs on the Hollywood hills.

In view of these signs, the Minister of Canadian Heritage is considering including in our film policy measures that will improve our position vis–à–vis the Americans. He will contemplate the opportunity. With such an hypothetical political will, you will understand that the minister did not succeed in alleviating my concerns regarding the American invasion of the Canadian cultural field.

Finally, there is a last element of the minister's statement to which I would like to draw your attention. The minister quoted the red book where culture is defined in these words: "Culture embraces our shared perceptions and beliefs, common experiences and values, and diverse linguistic and cultural identities: everything that makes us uniquely Canadian. Culture is the very essence of national identity, the bedrock of national sovereignty and national pride. At a time when globalization and the information and communications revolution are erasing national borders, Canada needs more than ever to commit itself to cultural development.

Those are the fundamentals of the debate that is presently going on in Canada. In Canada, the minister speaks of Canadian culture, and that is only natural. In Quebec, there is a Quebecois culture which is just as normal and legitimate. If I take the definition of culture provided by the minister and apply it to Quebec, here is what I end up with: The Quebec culture is the sum of various artistic, linguistic and religious expressions and of the intellectual and moral values of the country which we will create on October 30, culture being what makes us different from other countries. Culture is the very essence of Quebec's

national identity. Culture is the very basis of sovereignty and pride in the country that is Quebec.

• (1240)

For me, there is not even the shadow of a doubt. The land north of the 45th parallel which extends from the Atlantic to the Pacific to the Arctic is composed of two countries. One has ties to the English culture and the other to the French.

In 1982, the Canadian portion outside Quebec became separatist. The constitution was unilaterally patriated and signed without the consent of Quebec. Since then, the people of Quebec have come to realize and understand fully that there is now only one founding people in this country—anglophones—and consequently, only one culture—the Canadian culture—enriched, of course, by the positive and remarkable contributions of all ethnic groups in Canada. In its very essence and uniqueness, the Canadian culture denies the Quebec culture.

The people of Quebec do not see themselves reflected in Canada's artistic, linguistic, religious, intellectual and moral expressions. The people of Quebec form a distinct society. The people of Quebec know they are different. The people of Quebec know that they must express this difference on October 30.

[*English*]

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is important to be very clear about the nature of the bill. In essence it is designed to kill international competition between magazines, more specifically magazines which come into Canada. The killing of that competition kills a lot of good things which flow from competition.

The legislation is really an anachronism. It is a throwback to an earlier time when we did not have trans–global communications, when people did not always have a great interest in seeing what was happening in countries around the world. Clearly that does not fit the reality of Canada and the world today.

With the bill the minister is walking up to our largest trading partner, the United States, poking it in the eye with a stick and asking: "Now what would you like to buy from us?" This is a step backward. Cultural protectionism is no more appropriate today than any other kind of protectionism.

While the minister is putting forward this measure of cultural protectionism the international trade minister, the finance minister and others are very anxious about the bill because they are trying to endeavour to liberalize trade in other sectors. We see other countries trying to liberalize trade, but for some reason we are taking a step back. That betrays an attitude about what the minister and people of this mind think about the Canadian periodical industry, the people who write for it and the people who read those magazines.

Canadian magazines do well because they are good. As the hon. member from the Bloc pointed out, something like 67 per cent of magazines on news stands are Canadian. That is not because there is a dictate somewhere which says we must read Canadian magazines. It is because people are interested in knowing what is happening in their country. They are interested in knowing the Canadian perspective.

• (1245)

According to the Canadian magazine industry task force referred to earlier, American magazines are already losing circulation while Canadian magazines are gaining circulation. There are good reasons for that. People want quality and they are getting it from their magazines.

The minister pointed to one of the things that has really helped Canadian magazines. In that is the seed of the solution not only for Canadian magazines but also for anything to do with Canadian culture. He pointed to the fact that with the growth in disposable income more people are spending more money on Canadian periodicals. To me that is a very good indication of where we should be going with Canadian cultural policy.

In 1988 members of the present government in the House and across the country argued against the concept of free trade. Since then it is no exaggeration to say that the idea of protectionism has been thoroughly vanquished. Not a country in the world that is at all prosperous does not believe to a large extent in the idea of free trade any more. Even the government since 1988 has turned around and decided it can support ideas like NAFTA, the GATT and the World Trade Organization because there are some laws of economics that are indisputable. Free trade does increase prosperity.

In a sense Bill C–103 is an extension of an argument against one particular law of economics, the economy of scale. All *Sports Illustrated* and some of these other split run publications are guilty of is utilizing the economy of scale. We do that in Canada and we see it all the time. We see it in other sectors. We even see it in the magazine sector where for instance *Maclean's* magazine, which has a much larger circulation because it aims at a national audience, is able to have a smaller overhead and can produce its product for a lot less than a regional magazine like *Ottawa Magazine* or *Alberta Report*. I do not see anybody railing against them for utilizing the economy of scale. It is good economics; it is good business to do that kind of thing.

It is very misleading when the minister says in his speech that if split run publications are allowed to continue in Canada it would kill the magazine industry here. It will not be split run publications that will contribute to the downfall of any magazine. It will be consumers deciding for themselves what magazines they want to purchase. That is the key.

Cultural policy has to be about what consumers want. They certainly have in my judgment more than enough knowledge to make those types of decisions.

A moment ago I pointed out that we should be concerned about poking the United States in the eye with a stick, which is what I feel we are doing here because we rely on them to consume a lot of our exports. Thirty per cent of our national income comes from exports, the great majority of which goes to the United States. I wonder even for people of a protectionist sentiment if it really is worth it to go around doing these types of things.

A moment ago a member of the Bloc Quebecois was talking about the need to get Canadian cultural products into the United States. Will we really be able to do that when we are on one hand closing down our borders to culture and then on the other hand saying that we need to get into the United States?

We have some real inconsistencies between what is being proposed in the magazine industry by the government and what is currently happening on the Internet. I do not see this as just competition between magazines, American or foreign and Canadian. I see it as a competition between different technologies. The Internet does not have any kind of regulation that prevents people from getting whatever they want. If people are not able to subscribe to the magazines they want and get Canadian advertising through the periodicals industry, they certainly can get just about anything they want off the Internet.

• (1250)

The legislation indicates that the government is not in line with what is happening in the world of technology today. On direct to home satellite, where the minister's department also has some jurisdiction, there is what is called the grey market where all kinds of American signals are coming in, completely uninhibited, and people have complete access to them.

The Canadian periodical industry has to be the same way. We must have that kind of direct competition and people can ultimately make their own judgments.

One thing that is disturbing about the excise tax that is going to be put on revenues gained from Canadian advertisers in split run editions is that it is a punitive tax. A tax level of 80 per cent will be levied against the printers and distributors of these magazines. It is a punitive tax. I would argue there have been recent court decisions which point out that the purpose of an excise tax is not to be punitive, that it is to gather revenue. I would also argue that this measure will not stand up in the courts. The government will have a lot of explaining to do when it brings this measure before the courts.

I want to talk for a moment about what the minister is implying when he brings forward this kind of legislation. He implies several things. He implies that people do not appreciate Canadian magazines, which is why there needs to be protection for them. He implies that Canadian magazines somehow cannot meet the standards of quality of magazines from outside the country. He implies that Canadian magazine publishers are not as capable in the field of business as are American publishers.

Quite frankly, I really do not think the minister believes those things, but he is implying them. With this legislation he is saying that for some reason Canadians do not want to buy Canadian magazines. There is a much more positive way to approach a cultural policy for Canadian magazines. We should ask what things can be done to ensure that Canadian magazines can compete in a free economy against magazines from around the world.

Probably the best way to approach it is by a method the minister hinted at earlier but really did not expand on, which is that if there is more money available to Canadian consumers they will buy the types of products they want. I believe those will be Canadian products because Canadian products can compete with any in the world.

If the government wants to come up with a cultural policy that really benefits Canadians and leaves them complete choice and free to pursue value and quality as they define it, it should ensure that taxes go down. The best way to do that is to battle the debt and the deficit which today is $564 billion. By the end of the government's mandate Canadians will be paying something in the order of $51 billion a year in interest payments on the debt.

I do not have to tell members or the people who are watching today that it is a very heavy tax load. With that very heavy tax load people have less disposable income. It is not only Canadian magazines that suffer because of that; it is all of Canadian culture. Leisure activities are the first to go when there is a crunch.

If the Canadian cultural industry is to be expanded in all its permutations, the best way is to ensure that Canadians have more disposable income. If members think I am kidding, let us look at the United States. The population of the United States, relative to ours, has a lot of disposable income. It has a very healthy entertainment industry. The correlation between the two is absolutely direct. The solution for Canadian culture is not in the past or in Bulgaria. We do not have cultural protectionism here. The solution is in what has worked in other places in the world. It is in what works in other sectors in our own country.

• (1255)

Therefore, if we want to find a way to enhance the ability of Canadian periodicals, television, the film industry and the book publishing industry to succeed, the best way is to knock down the barriers, get rid of all the impediments to trade and start levelling the playing field by ensuring that we have a tax regime that is somewhat comparable to that of our closest trading partner. When that day comes I can guarantee that Canadian cultural industries will prosper like they have never prospered before.

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, the United States has an advantage. It does not need paid lobbyists. It has 52 members of the Reform Party lobbying on its behalf.

Bill C–103 is an act to defend the Canadian magazine industry and to support the government's longstanding policy on periodical publishing.

The threat is split runs, a tariff dodge aimed directly at the lifeblood of the Canadian magazine industry: its Canadian advertising base. Reports commissioned by the task force inform us that this tactic, if left unchecked, could consume as much as 40 per cent of total Canadian magazine advertising revenues, devastating the Canadian industry.

Successive Canadian governments have had a longstanding history of implementing structural measures which provide support to the Canadian magazine industry. These measures have helped the Canadian periodical industry to survive in a challenging and difficult environment.

The importance of Canadian periodicals has long been recognized. Thirty years ago the O'Leary Royal Commission on Publications observed that Canadian magazines provide the critical analysis, informed discourse and dialogue which are an indispensable part of Canadian society.

The O'Leary report on the role of publications had a mandate of finding ways of furthering the development of the Canadian identity through a genuinely Canadian periodical press. The recommendations of this report have formed the basis of federal periodical publishing policy.

As this commission pointed out in its 1961 report, the larger a periodical's circulation, the more advertising it can attract and the greater its advertising revenue. The more it can afford to spend on editorial content, the better are its chances of obtaining more circulation. In other words, advertising dollars are the key element which determines the business success of a periodical.

[*Translation*]

The O'Leary Report recommended that the Canadian periodical industry be supported by measures which would channel Canadian advertising revenues to Canadian magazines.

[*English*]

Two policy measures were introduced in 1965 which were designed to channel Canadian advertising revenues to Canadian magazines: section 19 of the Income Tax Act and customs tariff 9958. Section 19 of the Income Tax Act limits tax deductions of advertising expenditures to advertisements placed in Canadian magazines for advertisements directed at the Canadian market. Customs tariff 9958 prohibits the fiscal importation into Canada of split runs or special editions of periodicals with editorial content substantially the same as the original edition except for the advertising which has been purchased especially to reach a Canadian audience. These two measures created a positive environment for Canadian magazines.

• (1300)

[*Translation*]

Customs tariff 9958 proved to be an effective way to prevent the distribution of split run editions. However, technological progress has forced the government to review the effectiveness of code 9958 which had well served the industry for more than 30 years.

In particular, technology now permits to evade the spirit of custom tariff 9958 and the objective of the federal policy regarding periodicals.

[*English*]

In January 1993 *Sports Illustrated* announced plans for a Canadian edition to be printed in Canada which would contain advertisements directed at Canadians. *Sports Illustrated* Canada is printed in Canada from texts electronically transmitted from the United States. Canadian ads are then substituted for American ads and some Canadian editorial content is added, thereby bypassing the border controls provided for with the customs tariff code.

As a result it became apparent the policy measures the government currently has in place could no longer fulfil their role.

[*Translation*]

On March 26 1993, the government announced the creation of the task force on the Canadian periodicals industry. The act to amend the Excise Tax Act and the Income Tax Act implements the main recommendation contained in the report of the task force. The excise tax on split run editions of periodicals distributed in Canada will eliminate the loophole used by *Sports Illustrated Canada.*

Amendments proposed to the Excise Tax Act would impose a tax equal to 80 per cent of the value of all the advertisements contained in the Canadian split run edition.

Bill C–103 gives the following definition of a split run edition: An edition distributed in Canada in which 20 per cent or more of the editorial material does not originate in Canada and that contains one or more advertisement destined to Canadians.

This tax will maintain the long standing governmental policy regarding periodicals. It shows the will of the government to support the preservation in Canada of an industry that is original, viable and dynamic.

[*English*]

Each member of the House can choose to support the bill, supporting the livelihoods of over 6,000 Canadians employed in the domestic magazine industry while at the same time keeping news stands well stocked with a broad choice of periodicals for the Canadian reader.

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, it gives me great pleasure to rise today to discuss the second reading of Bill C–103, an act to amend the Excise Tax Act and the Income Tax Act.

Bill C–103 will impose an excise tax with respect to split run editions of periodicals. The tax will be implemented at a rate of 80 per cent of the value of all the advertising contained within a split run.

What type of publication are we talking about? A split run edition of a periodical is one that is distributed in Canada, one in which more than 20 per cent of editorial material is the same or substantially the same as the editorial material that appears in one or more periodical editions distributed primarily outside Canada. It is one that contains an advertisement that does not appear in identical forms in those other periodicals.

• (1305)

Ultimately the issue is split run editions of foreign magazines which are accused of dumping foreign editorial material into Canada to attract local ads through low cost rates. It is important to look specifically at the Canadian magazine market.

Based on a 1993 study the 10 most popular U.S. magazines in Canada commanded the collective circulation of approximately 2.8 million. Over the last 10 years the names of the magazines have changed. Yet the most popular U.S. magazines in Canada today have 25 per cent less circulation than their counterparts a decade ago. Interestingly enough, at the same time the top 10 Canadian magazines have increased their collective circulation by almost 15 per cent. It appears Canadian magazines are winning the battle for readers. This is happening not because of government intervention but because of the quality of the articles.

Even if we look at the amount of revenue generated for these split run editions through advertising, the lion's share is still remaining in the hands of Canadian based magazines. Last year *Sports Illustrated* had six split runs in Canada which brought in ad revenues of slightly more than $2 million. That is peanuts compared with the $869 million in the Canadian magazine industry as a whole.

Therefore as parliamentarians we need to fight the perception that Canadians read the same magazines as Americans. According to the past president of the Canadian Magazines Publishers Association a multinational ad buyer looking at news stands here would think the way to reach Canadians was through the same magazines as those on the racks in the United States. However high profile does not equal high circulation. Canadian publishers have found ways to reach readers other than through the news stand.

For instance, magazines such as *Saturday Night* and *Modern Woman* are distributed through newspapers. Magazines such as *Chatelaine* and *Maclean's* have large subscription bases. Because many Canadian magazines are subscription based it would seem logical that they are by far more vulnerable to increased postal rates than to split run editions.

I will take a moment to discuss the *Sports Illustrated* split run editions since it is this periodical which has caused the most controversy. Let us look at the example of the two issues of *Sports Illustrated* from October 11, 1993. The contents show pages of Ron Grant watching a home run disappear. In the Canadian edition it is Doug Gilmour stretching after a puck. The college football department was dropped to make way for a story on Calgary Stampeder Doug Flutie. The "Inside the NFL" feature was replaced by the "Inside the CFL" feature. The section "Faces in the Crowd" is an all–Canadian selection rather than an all–American selection. The same type of changes were made for all Canadian editions.

Granted this is not everything which nationalists would have wanted. However, instead of forcing an alien sport and culture down our throats, *Sports Illustrated* would be reflecting Canada to Canadians. Nor is *Sports Illustrated* displacing a home grown alternative.

There is no Canadian general sports magazine. If there were it would survive not because of an end to split run editions of a competitor but because Canadians would want to read it and because it would be quality material. In other words it would stand on its own merits.

Since it is true that most but not all of the articles in *Sports Illustrated* Canada appear in *Sports Illustrated* United States, Canadian publishers argue the costs are already recovered from sales in the U.S. This means it can undercut the Canadian industry on advertising rates. In other words it would be dumping, selling its product for less than one does at home.

• (1310)

However I feel the publisher's complaints are based on a much simpler concept referred to as economies of scale. To say that therefore economies of scale inevitably doom Canadian culture is to say domestic and foreign cultural products compete strictly on price, that is Canadians do not distinguish between them on any other basis. However, if there is one truth among nationalists, it is that the two are not perfect substitutes, that Canadian tastes are distinct and therefore indigenous production fills a need that foreign art cannot, in which case Canadians should be willing to pay a premium for the product.

On the other hand if we were not all that different from the Americans the advantage of economies of scale should be just as open to us as it is to them. A rash of recent Canadian television shows such as "Due South" or "The Boys of St. Vincent" have been hits south of the border. It is for this reason that we should be encouraging free trade, not a trade war.

A trade war with the Americans is precisely where Bill C–103 is headed. We as a government have the right under the NAFTA to discriminate against American cultural companies. However let us not forget the U.S. is also permitted to retaliate with roughly equivalent measures. According to many news reports the U.S. trade office is said to be drawing up a list of potential Canadian targets for retaliation largely in the cultural or media sector.

For these reasons we on this side of the House oppose the bill. First, Reformers do not support the notion that state sanctioned cultural protectionism is a good policy to implement. Second, Bill C–103 conjures up the view that Canadian magazines are not of sufficient quality or merit to compete with foreign counterparts. We on this side of the House know this is 100 per cent false. Canadians are among the best in the world. We compete through our talent and products and not through government dictated protectionism.

I cannot understand why the government has dragged the issue out, as it has been around for almost two years. Is this the best solution to the problem which could have been developed over the last two years?

A final note which I feel sums up my sentiments toward Bill C–103 can be found in an extract from an editorial written on January 3, 1995 in the Vancouver *Sun*:

> The Americans have good reason to feel outrage at this piece of barefaced protectionism—and Canadians should not find any pleasure in it, because it only encourages continued mediocrity in the Canadian magazine industry. Worse, it now invites U.S. retaliation just when relations across the border had seemed to be moving into a friendlier phase.
>
> The improved relationship is not worth jeopardizing for the dubious value of killing the Canadian edition of *Sports Illustrated*. Ottawa should reconsider this rash and ill conceived tax.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I will be sharing my time with the hon. member for Hamilton—Wentworth.

A country is more than an economic unit somehow linked together by rivers and lakes; it is much more than all of these things. A country is people working, living together and expressing themselves as a unity. Canada has a longstanding agreement with our publishing industry. That agreement is to support it within not only the North American context but also in the context of the world.

• (1315)

It seems to me that advertisers who earn their living by servicing the Canadian market should also be prepared to support the distribution and consumption of material within that country.

Is competition always invariably fair? The population of our southern neighbour is almost 250 million people and Canada is pushing barely 30 million. I do not have to give a lesson today on economics, but there is such a thing as economies of scale. As companies become bigger and their production lines become bigger, their costs go down. If we were simply a network of economic units, clearly all our cultural industries, indeed all our industries, should be in places where there is a higher density of population. This for us in North America would be our southern neighbour.

That is not what Canadians want. Asked that question time and time again over their history, Canadians have chosen to maintain a separate entity on the northern part of the North American continent.

I would like to put into context the broader context of the Canadian government having a place to support the Canadian magazine industry. It is relevant here to describe the importance of the Canadian magazine industry to Canadians.

Canadian periodicals are an essential medium of cultural expression for all Canadians. They serve as a channel for conveying Canadian ideas, information and values. They are an integral part of the process whereby Canadians define themselves as a nation. Magazines inform, educate and entertain. They play a vital role in the exchange of information. Canadians need Canadian magazines.

However, Canadian magazines face a unique challenge: the massive penetration of the Canadian market by imported magazines, the relatively small size of the Canadian population, the openness of Canadians to foreign cultural products, the effects of the cover prices of imported magazines on the Canadian price structure, and the impact of overflow advertising on the potential advertising market in Canada.

The industry's total revenue in 1993–94 was approximately $800 million. Though it has flourished culturally with over 1,300 titles, its financial position is fragile, with overall pre–tax profits of less than 6 per cent. Gradual changes in the rapidity of competition with people with higher production runs could clearly turn that 6 per cent profit margin into losses, basically wiping out the entire industry.

Because of the importance Canada places on having a means of expressing its unique identity and the difficulty and challenging environment the Canadian magazine industry faces, the need of structural measures of support for the Canadian magazine industry has long been recognized by successive Canadian governments. This policy is simply a reaffirmation of the policies government after government has taken before us in this country and it is in support of our cultural industries.

A number of policies and program instruments to help to ensure the development of the Canadian magazine industry have been put into place. I mention postal subsidies. Canadian magazines have limited access to Canadian news stands. Less than one–quarter of Canadian magazine circulation revenue is delivered from news stand sales. As a result, the industry relies on subscriptions to reach its audience.

The postal subsidy, which finances concessionary postal rates for Canadian magazines, has been an important instrument in helping the industry reach its market. By providing stability in the level of distribution cost the government has been able to assist publishers in developing and implementing viable business plans for the long term.

• (1320)

Two fiscal measures encourage Canadian advertisers to use Canadian magazines to reach Canadian readers. The first measure, section 19 of the Income Tax Act, has been in place since 1965. The legislation is merely an extension of that longstanding tradition of our government.

For advertisements directed at the Canadian market, section 19 limits tax deductions of advertising expenditures to advertisements placed in Canadian magazines. A Canadian magazine is defined as one that has 75 per cent Canadian ownership and control and has editorial content that is 80 per cent different from the editorial content of other periodicals. Here we basically disallow for tax deduction purposes certain advertisements placed in foreign magazines, which are basically to attract the Canadian market.

The second measure is tariff code 9958, which prohibits the physical importation into Canada of split runs or special editions of periodicals with editorial content that is substantially the same as the original edition except for the advertising, which has been purchased especially to reach the Canadian audience. This is basically why this law is before us today. Back then physical importation was considered to be the most important aspect of distribution but today it can be done electronically. We can communicate with Germany and other countries from our offices. This is simply updating that code to reflect modern times.

Until recently the tariff code dissuaded offshore magazines from soliciting advertising in Canadian markets. It has also succeeded in doing so through voluntary compliance.

Financial support is also provided to a number of cultural and scholarly publications through the Canada Council and the Social Sciences and Humanities Research Council. The Canadian industries development fund was established in 1990 with a budget allocation of $33 million. Its mandate is to provide Canadian owned and controlled firms within the cultural industries with a range of flexible financing services, which has an emphasis on investment loans.

This is another area where the Government of Canada is assisting our cultural industries and possibly resisting the importation. This does not mean that we are developing a narrow and small country. We still obviously have the ability to access foreign periodicals in Canada. However it underpins the importance of maintaining and strengthening Canada's periodical industry.

I want to summarize by saying that I am happy to be part of a government that continues to support the concept of Canadian owned periodicals and the growth of the industry in Canada.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, it is a pleasure to rise in support of Bill C–103. I must say at the outset that I find it supremely ironic that in Parliament support for the bill should come from my colleagues in the Bloc Quebecois, who stand for promoting a separate culture, and that opposition to the bill comes from the Reform Party, which surely should stand to promote Canadian culture at any opportunity.

I begin by making some comments on the remarks delivered by the member for Medicine Hat, who says that the bill represents a kind of cultural protectionism, which is no longer appropriate. This is a bill that deals with cultural protectionism and is very appropriate. I feel that some of my colleagues in the House, particularly in the third party, do not seem to appreciate the central role the spoken and written word has in the viability of a nation, the viability of its institutions as well as the viability of its entertainment and cultural industries.

• (1325)

Certainly in English speaking Canada the publication industry, whether it is books, magazines or newspapers, has been under economic pressure for a long time. In Canada we believe in free speech, which is tied with the independence of media agencies delivering the message from Canadians. Consequently, it is essential that these industries that deliver this cultural message in books, magazines or newspapers remain viable.

The sad reality is, as other members have mentioned, that we are a country one–tenth the size of the United States. What happens, for example, in books alone is that an author who is lucky enough to persuade a publisher that his book is worth while and it might sell on the open market will be very fortunate if he sells enough copies to earn perhaps $8,000 or $9,000 a year from that one book. However, because the United States is 10 times as big, a similar author with a similar book can make a living at it. He can make from $70,000 to $80,000 from that single book. This is the way it is with books and with newspapers. Newspapers these days have come under enormous advertising pressure: the shortage of advertising, the lack of circulation and competition from the United States.

When next in Toronto, Mr. Speaker, visit the Toronto *Star* at 1 Yonge Street, Canada's largest newspaper. You will find outside on the sidewalk various news boxes. Among those news boxes you will see *U.S.A. Today*. There is a very active market in this country for American publications and newspaper publications.

Mr. Speaker, I will take you back to your childhood for a little bit. I will bet at one time you sold magazines. It used to be very common to sell magazines as a child to make a bit of money. I did that when I was a kid. I remember vividly that most of the magazines I had to sell were American magazines. The reality is that we are a country dominated by the American cultural industries. There is no getting around it. To ignore this is to ignore a fundamental reality.

It is with irony that I listened to the member for Rimouski—Témiscouata. She spoke very finely on the issue of the need for Canadian cultural protection. The irony is that English speaking Canada is under the greatest pressure. Here we have a member of the Bloc Quebecois, a Quebecoise, defending English culture in this country. She is quite right that we have to subsidize, support and build a certain amount of protectionism around the magazine industry because of the phenomenon of split runs. That is a very real problem. It is true that the Canadian periodicals will suffer adversely from that.

Ironically French language periodicals do not have the same problem. Therefore I was very pleased to hear her defend the government's initiative in this regard with respect to split run publications. However, best of all, she took the debate one step further, which I really like, and she raised the question of the GST.

The one thing I could never understand as a former journalist and a some time author is any government that could put a tax on books. We actually have in this country a tax on reading. If ever there was a regressive tax that has set us back, particularly in English speaking Canada, it is this tax on reading.

I say to the Reform Party that it does not understand how difficult it is to get the word out as an author, a writer or as a journalist in this country, particularly when we are English speaking, because we are in overwhelming competition with the Americans to the south. The previous government put a tax on books which damages the periodical industry. It lost 6 per cent of its circulation. Authors of books suffered.

• (1330)

The member from the official opposition made a very good point when she suggested the GST be dropped from all publications and reading material. I support her 100 per cent on that. That recommendation from the task force on the magazine industry is not in Bill C–103, although I am confident the government will make that alteration when it addresses the problem of the GST. I hope we will see that change in the next budget.

Finally I would like to make a comment concerning the member's comments on postal subsidies. Again I believe she is right on the money there. In this case it is a question of distributing Canadian newspapers as well as magazines. We would do well to do anything in our power to make sure the Canadian point of view gets out to Canadians. If we do not back up our own authors, our own writers, our own journalists, our own publications, then English Canada is going to slide into the United States and the separatists will get their way by default.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I have heard Liberal member after Liberal member and actually Bloc members talk about how we are such victims in Canada, that the U.S. is exploiting us. I suppose that is one world view of the situation, but to me it is a pretty morbid and pessimistic way of looking at things.

What I think is completely in alignment with how creative people think is that Canadians can overcome some of these things. They can overcome the fact that they have strong competition. The reason they can overcome it is that they are the same genetically as the Americans. Canadians can produce the same quality of books and music as anyone else. They have proven this time and time again.

Constantly complaining and whining about our lot in life is not helpful at all to the debate. I am amazed the hon. member was so distressed to see a *U.S.A. Today* box in front of the Toronto *Star*. He must be shocked when he walks into a library and sees Shakespeare, Tolstoy, Montesquieu and Jean–Jacques Rousseau. It must be a horrible experience for him. Imagine there not being enough John Brydens and David Suzukis. All kidding aside, I know the member would not be shocked by that and really would not oppose that.

The point is not in the absurdity of the exaggeration. The point is in the premise, which is where there is real absurdity. Canadians are more than capable of making good choices. Every day we make thousands of decisions about all kinds of things, including very important things such as raising our children, et cetera. We are perfectly capable of deciding among the plethora of magazines and books available which ones we want to read and which television shows we want to view.

If the hon. member's argument is sound, does he recommend we take it to its full extent? Would we put up complete barriers thereby protecting all Canadian magazines, books, et cetera, and not allowing others in at all? That is the logical end of his argument.

Mr. Bryden: Mr. Speaker, no, I would not do it to that extent at all. Bill C–103 addresses the problem perfectly and is entirely adequate as it stands.

The hon. member for Medicine Hat should look at the Canadian Football League or the various sports industries in Canada. He would see what happens when a cultural industry driven by profit is in direct competition with the United States. We are losing some of those cultural sporting industries. In the case of the printed word we cannot afford to lose it in a similar fashion. It is essential to our democracy, our freedom and our identity as Canadians.

• (1335)

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my colleague the hon. member for Hamilton–Wentworth expresses surprise that the Bloc Quebecois supports this bill. We say that Canadian culture must be protected in the same way as Quebec culture must be protected.

How does the hon. member explain the Canadian government's spending so much money on advertising in foreign newspapers and not in Canadian newspapers, particularly in the ethnic press? There are some very important ethnic newspapers which do not have the necessary government support; they do not have their fair share of government advertising.

[*English*]

Mr. Bryden: Mr. Speaker, I appreciate the comments of the hon. member from the Bloc Quebecois. We are very much on side on the issue. The Government of Canada and all governments should favour, where they can, placing advertisements in Canadian publications.

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, this morning we have been listening to presentations from Reform Party members. They have presented us with a large collection of suppositions, perceptions and attributions. Many of them are based on personal feelings, personal perceptions and misguided information. Clearly it is a position which would result in the death knell of the magazine industry in Canada. It would mean the loss of thousands of jobs. Millions of dollars would be taken out of the economy. That is the present position of the Reform Party.

Reformers are slow learners; there is no doubt about it. We know that one of the characteristics of an effective learning model is the use of repetition. My Liberal Party colleagues have clearly pointed out some very hard core facts which support the need for Bill C–103. It is through repetition that I will continue to present the facts. I hope Reform Party members will be able to handle the data in a much more effective and positive manner and will see the need for support by the Canadian people of the Canadian magazine industry.

The key messages in Bill C–103 clearly point out that the commitments of the government made on December 22, 1994 will be supported. This is not a new policy. It is merely an extension of the government's longstanding policy to support the Canadian magazine industry, to channel Canadian advertising revenues to Canadian magazines and not to American magazines. These measures are not intended to restrict foreign magazines from access to the Canadian market. In fact our market is wide open to publications from all over the world.

It is the government's view that the proposed bill is consistent with our international trade obligations. As a result, no one south of the border should be disturbed by the actions of the government.

The hon. Minister of Canadian Heritage has clearly pointed out that the new excise tax is not a new consumer tax. I must repeat some hard core data for this effective learning to take place.

What is a periodical? A periodical is published more than once a year but not more than once a week. It does not have more than 70 per cent advertising content. It is available to the general public.

For the fiscal year 1993–94 a Statistics Canada survey reported on over 1,300 titles. The survey covered six types of periodicals in Canada. The general categories were: general consumer magazines, special interest consumer magazines, business and trade magazines, religious magazines, farm magazines and scholarly magazines. There we have in six categories publications in this country covering the field, tailoring to the needs of every man, woman and child.

• (1340)

Dealing with the hard core data, according to Statistics Canada advertising revenues fell to $485 million in 1993–94, an 8.3 per cent drop from the previous year and a 14.3 per cent decline since 1989–90. From 1985 to 1991 periodicals saw their market share of advertising dollars drop from 6.6 per cent to 5.7 per cent, a clear indication that the Canadian government must do whatever it possibly can to change that movement.

Advertising revenue is crucial to most magazines. It supports the cost of the editorial content and makes it possible for the publisher to provide the magazine at rates the reader can afford. In some cases, believe it or not, it provides the magazine at no cost to the reader. Approximately two–thirds of all revenues of Canadian magazines come from the advertising area. The main thrust of federal magazine publishing policy has been to direct Canadian advertising revenue to Canadian magazines.

The effect of the recession on advertising revenue has been quite serious for the Canadian magazine industry. However Canadian companies have been very effective in competing even though the recession has taken place.

The magazine industry has demonstrated a remarkable resilience in the face of a decline in advertising revenue. Periodicals have managed to earn profits and to increase them recently by keeping a tight control on costs. Since 1989–90 some cost cutting has been achieved by reducing the number of full time and part time employees. As well the use of contract work has increased. Salaries, wages and fees fell 3.9 per cent in 1993–94. Non–salaried costs fell 6.8 per cent during the same year and dropped 16.5 per cent during the previous four years. Clearly that is action of responsible companies.

During the past five years profits before tax as a percentage of total revenue have ranged from a low of 2.1 per cent in 1990–91 to a high of 5.7 per cent in 1993–94. Profitability varies by category with business and trade periodicals earning the most profits and religious periodicals earning the least.

As reported by Statistics Canada, paper costs will likely have a profound impact on periodicals in the near future. According to the industrial price index, paper prices rose 26 per cent in the first four months of 1995 compared with the same period last year.

It is clear the magazine industry faces challenges on a number of fronts: increasing competition for audience attention, increasing competition for the advertiser's dollar, the need to adjust quickly to rapid price changes, and rapid technological change. The role of government policy has been to provide an environment in which magazines can meet their challenges.

A range of government policy and program instruments have been put in place and will continue to be supported by the industry as well as by the government. These instruments include: section 19 of the Income Tax Act, tariff code 9958, grants through the Canada Council, the postal subsidy for paid circulation Canadian magazines, and the lending programs offered by the cultural industries development fund.

The Canadian magazine industry is an important pipeline between the generators of Canadian information, ideas, views and the Canadian public. As noted by the O'Leary Royal Commission on Publications in 1961, magazines "can protect a nation's values and encourage their practice. They can make democratic government possible and better government probable. They can soften sectional asperities and bring honourable compromises. They can inform and educate in the arts, the sciences and commerce. They can help market a nation's products and promote its material wealth. In these functions it may be claimed, claimed without much challenge, that the communications of a nation are as vital to its life as its defences and should receive at least as great a measure of national protection".

• (1345)

I could not have said it better. The government recognizes the importance of periodicals in Canada for and by Canadians, much as it did over 30 years ago when the O'Leary report was completed. We will continue to support the industry by implementing appropriate structural measures such as the ones proposed by the recent task force on the Canadian magazine industry.

Bill C–103 is a key element in continuing that support. Therefore I urge all members to ensure the bill is quickly passed.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, at the beginning of the hon. member's speech he mentioned free trade in cultural industries was to be the death knell of the industry. Is this not exactly the same argument the Liberal Party made in 1988 during the free trade debate? Did it not say the free trade was to be the death knell for all these industries in Canada?

I ask the member if he was on that side. Was he making those same arguments? Will he not admit that many industries did not die but have prospered as a result of free trade? Will he admit that competition and the flow of capital back and forth have actually been good for all kinds of industries, and that ultimately the best way to help Canadian cultural industries is for the government to ensure a level playing field by getting taxes down so these industries can compete against their American counterparts?

Mr. Dromisky: Mr. Speaker, my hon. colleague for Medicine Hat in a sense has misconstrued or has deliberately altered my presentation. I did not state the free trade deal was to destroy the magazine industry in Canada. I said the presentations being made by members of the Reform Party, especially by the member for Medicine Hat, with all the attributes and perceptions that were sort of misguided, would result in the death knell of the magazine industry. I was criticizing, debating and discussing the presentations of the members of the Reform Party versus the stability, sustainability and health of the magazine industry in Canada.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I agree with the criticism voiced by the hon. member from the Reform Party. They never see the need to protect the Canadian cultural industry. That is their philosophy. But what surprises me somewhat is that the Liberals are weak not only in this area of culture but in others as well. Fortunately NAFTA excludes culture. Here

again, I would like to ask you the question I asked my colleague previously.

What are your measures for giving a little more support to the ethnic press, the ethnic newspapers, whose circulation figures are low but which are very necessary to the ethnic communities? There is nothing in this bill to confer such protection or support to the ethnic press.

[*English*]

Mr. Dromisky: Mr. Speaker, the market forces play with the laws that exist on municipal, provincial and especially federal levels. They are all in harmony with each other and the industry will continue to prosper as it is at the present time.

• (1350)

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, it is my pleasure to speak today to support my colleagues from the Reform Party and to speak against the ill conceived Bill C–103.

The bill will needlessly and rightfully attract retaliation by American trading interests. In my role as the critic for international trade for our party, that is a concern to me. Furthermore, it will cheat Canadian sports readers of the bit of Canadian content they presently enjoy.

I offer some background and a bit of history to put the bill in perspective. Decades ago rules were written to protect Canada's cultural industries. Even though the importation of American magazines was and still is allowed, the government of the day imposed some severe restrictions on advertising. Canadian businesses can only deduct the cost of their Canadian magazine advertisements if they appear in Canadian publications. That is why we see so many American magazines on our news stands. They are strictly aimed at the American market and if Canadians are interested they can buy these magazines.

However the government introduced customs regulations which prohibit the import of split runs. These are essentially American magazines that contain some Canadian content and some Canadian advertising and are trucked across the border.

Furthermore, in the NAFTA regulations Canada did retain the right to protect its cultural industries. However, in so doing, the Americans were saying they at least retained the right to retaliate in kind. That is a very important feature. They are exercising that right to retaliate and we think that will happen.

Furthermore, all these rules were written before any advances in technology could be fully understood or predicted. When it became possible to beam magazines across the border and have them printed in Canada, *Sports Illustrated* took advantage of this new technology and circumvented the split run border rules.

Since April 1993 it has produced several issues per year that are essentially American versions with some Canadian stories. There is a lot less American advertising but there is a problem. There is some Canadian advertising. The big concern is not that Canadians are being bombarded with American sports stories by trying to get their eager hands on some Canadian sports stories. The concern is that Canadian advertisers will spend their advertising dollars in these largely American publications even though these advertisers will not be able to deduct the cost of doing business.

The fact that *Sports Illustrated* has not been successful in recruiting many Canadian advertisers does not seem to impress the government. It is bound and determined to enter into a trade war over the *Sports Illustrated* issue. It is a very serious matter, one the government needs to review.

Therefore, what happened? The Liberal government introduced Bill C–103, largely a protectionist bill. The bill imposes an excise tax on the highest level Canadian participant of split run ventures. The excise tax is 80 per cent of the value of all advertisements contained in such magazines or newspapers. It is assumed this excise tax will never be collected because it will effectively kill the Canadian edition of *Sports Illustrated* or any ventures that could come on to the drawing board. That is what I call protectionism.

The Liberals in 1988 were opposed to the free trade agreement with the United States, although they have largely been converted since. It is sort of a revival. However, sometimes I wonder what their real commitment is. Are they committed to the free trade principle or not? Here it would indicate they are not.

The Minister of Canadian Heritage is quoted as saying Americans cannot retaliate against this protectionism move because the magazine is printed in Canada. I have news for the minister. There is more than one way to cross a border than by walking across it; planes fly and now we have computer beams from the satellites. We cannot stop progress. The Americans will retaliate against the bill and they have every right to. They can make life miserable for Canadian exporters in all kinds of ways, justified or not. We will not be able to cry foul because our hands will not be entirely clean in this matter. We are introducing a bill which is largely a protectionist bill.

What about our artists, our writers and our publishers? What if they want to take advantage of the American marketplace which is much larger and more lucrative than our own?

• (1355)

Approximately 500 new channels will be available by satellite. How will we control this type of information flow? I say we control it in the marketplace. If we have a good Canadian cultural industry, it is a business and it will compete. If it is poor it will not.

The government is being hypercritical in that it says it is trying to protect our magazine industry while at the same time crushing it to death with taxes. When we ask businesses in Canada why they are not expanding, the common theme has always been that taxes and the cost of doing business in Canada are too high.

That is where we should be concentrating. We should be trying to balance our budgets and bring our Canadian businesses into a competitive position so they can compete in the international marketplace. I believe they will do very well. We are asking our Canadian industries to compete with one hand tied behind their backs. There is the GST. There is a very high tax level and they simply cannot compete under those circumstances.

Some would have us believe our cultural industries cannot compete effectively on the basis of pure competition. That is nonsense. We have some very good Canadian cultural content. It would be even better if it had to face the true test of the marketplace. That test is whether there is a quality product. There are a number of Canadian cultural industry businesses which pass the test and some which will have to fall by the wayside because they simply are not quality products. The question we have to ask is whether we should be supporting the industry through subsidy and protectionism. I do not believe so and I will be voting against the bill.

The Speaker: It being 2 p.m., pursuant to the standing orders, the House will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

WORLD CHOIR

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, on Saturday, September 23, members of the Canadian Cottage Country Choir had the extreme honour of participating in the World Choir's annual performance entitled "Voices of the World—A Choral Spectacular".

This year's performance of the World Choir was especially noteworthy because it sang outside Wales for the first time in Dublin, Ireland.

The production included over 6,400 singers from England, Scotland, Wales, Ireland, Finland, Poland, Ukraine and the only North American representatives, our very own Canadian Cottage Country Choir based in Orillia, Ontario, in my riding of Simcoe North.

The 22 members of the 4 Cs, as they are affectionately known, are from Orillia, Victoria Road, Coboconk, Bracebridge, Barrie, Dalyrymple and Simcoe.

I congratulate the members of the 4 Cs on behalf of all Canadians for their outstanding performance and for proudly representing our country at this world class event.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, for two years now, the federal government has been holding its breath and hiding from the people of Quebec the drastic changes it has in store for them after the referendum has been held. Let us look at this hidden agenda.

Let us look at the UI reform they are hiding from those who have to rely on this assistance not by choice but out of necessity; the old age pension reform they are hiding from our seniors and all those who have contributed to the plan for many years through their taxes to enjoy some peace of mind in their old age; the GST reform that they are hiding from all the businesses tied up in federal and provincial red tape and that they have been promising since October 1993; and the health care reform initiated by the federal government over the heads of the provinces, that they are hiding from users and patients.

The people of Quebec are entitled to know what to expect if they remain in the federal system. Ottawa should announce its reforms before the referendum is held. Show the people of Quebec the true face of the federal government.

* * *

[*English*]

THE SENATE

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the Prime Minister is stifling democracy and taking away legitimate regional representation from the people in Atlantic Canada and all Canadians. That is probably why he used the old–fashioned political trick of making the announcement late Friday afternoon.

Without a doubt, the Prime Minister is running scared from the Reform Party's call for elections to fill all Senate vacancies. He reminds us of his 32 years in this House by insisting on the continuation of an archaic and dying system at a time when we need proper, fair, balanced representation from all regions of Canada.

I condemn the continuing policy of political patronage appointments because they subvert the true democratic process. This kind of political patronage renders the upper house useless and ineffective. When will this Prime Minister recognize that he is out of touch with reality and the wishes of Canadians? The time for old–fashioned political patronage is gone. The time for democracy is now.

S. O. 31

TOBACCO

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the Supreme Court ruling on tobacco advertising is a wake–up call to Canadians concerned about the state of our democracy.

The court's ruling adds to a jurisprudence that the advertising of large corporations enjoys the same protection as the free speech of individual citizens. The courts are transforming the charter from an instrument that protects the human rights of citizens from an arbitrary state into one that protects powerful corporations from the actions taken by citizens through Parliament to establish the social boundaries of commercial activity.

The court is wrong in determining that corporations have a right to peddle an addictive and deadly substance, a right that overrides the democratic right of citizens to take measures to improve public health by regulating the promotion of dangerous tobacco products.

The government and Parliament, all of us here, should find a way to stand up to the court by invoking the notwithstanding clause to regulate the marketing of tobacco. This is a good example of why the notwithstanding clause was put in the charter in the first place.

* * *

NIAGARA GRAPE AND WINE FESTIVAL

Mr. John Maloney (Erie, Lib.): Mr. Speaker, the grape harvest season is well under way in the region of Niagara, bringing with it the renowned Niagara Grape and Wine Festival.

I would like to congratulate Dan and Darlene Haist of the village of Ridgeville in my riding of Erie on their being crowned the 40th Niagara Grape king and queen. The Haists are fourth generation grape growers who have sold their product to Niagara wine makers for over 70 years. Decades of labour by growers like the Haists have contributed to the evolution of our wine industry to world status.

I invite one and all to come to the Niagara Peninsula this fall to enjoy our fine wines and warm hospitality.

* * *

CAMP IPPERWASH

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, there may finally be a breakthrough in the current impasse at Camp Ipperwash, which is located in my riding of Lambton—Middlesex.

Last Thursday, September 21, the Minister of Indian Affairs and Northern Development and the Minister of National Defence announced that the Hon. Robert Reid, Q.C., a former Justice of the Supreme Court of Canada, has agreed to serve as a federal representative to resolve the issues surrounding the return of the Camp Ipperwash lands to the Kettle and Stony Point First Nation.

I have every confidence that Justice Reid will put his considerable experience and talents to use in implementing the seven–point memorandum of understanding that was worked out between the government and the Kettle and Stony Point First Nation on September 13.

I am especially pleased and grateful that the Minister of Indian Affairs and Northern Development has given me his personal assurance of his request that Justice Reid will also meet with the representatives of the town of Bosanquet to hear their concerns and ideas on resolving the issues surrounding the return of Camp Ipperwash.

* * *

WEST BANK

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, yesterday Israel and the PLO announced an agreement to extend Palestinian autonomy in the occupied West Bank. This latest agreement took months of difficult negotiations and is an important step in achieving a lasting peace.

[*Translation*]

The Canadian government has always encouraged peace efforts in that region. Many Canadians have worked for this. Here is a striking example for everyone to see. Even the deepest divisions can be resolved in the public interest when those in charge work at it in a spirit of goodwill.

[*English*]

I am sure that all colleagues in the House join me in congratulating the leaders of the two sides on their latest achievement.

* * *

[*Translation*]

QUEBEC REFERENDUM

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, "we must not only win, but crush them". That is what Claude Garcia, the president of Mutual Standard Life, told No supporters at the general council of the Quebec Liberal Party. The big names supporting federalism are growing more and more arrogant as the referendum campaign progresses, even resorting to unacceptably strong language.

From the Prime Minister's "we are going to clobber them" to Mr. Garcia's "crush them", it is obvious what the No supporters' line is: We must crush those bothersome Quebecers, and our victory must be overwhelming. To the arrogance of the No side, Quebecers will oppose the determination of a people creating a country for itself.

• (1405)

To the insults cast by those who do not want Quebec to become a country, Quebecers will respond by presenting their blueprint for nationhood to the Prime Minister who wants to "clobber them" and showing the clear-mindedness and serenity of a people looking to the future.

Despite all the opposition from individuals displaying inordinate arrogance, Quebecers are about to say Yes.

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[*English*]

MEDICARE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, the Canadian medicare system needs an overhaul. We Reformers believe the best way to overhaul a system is through respecting provincial jurisdiction and granting provinces and Canadians choice and flexibility.

With an Ottawa imposed deadline looming over Alberta, it has been reported that the federal government may now be willing to allow private clinics. What happened to the infamous line in the sand the Minister of Health proclaimed in Victoria? Has she decided to erase it? Why the flip-flop?

Last week in this House the minister stated: "To date the Canada Health Act has been extremely flexible in allowing for change within different provinces". If that is true, why the need for deadlines threatening financial penalties? Based on her statement, I would expect the minister to accept Alberta's decision to deinsure tax funding of abortions.

The minister cannot have it both ways. Either she will allow for genuine choice and flexibility in the health care system that works for all Canadians or she will continue to adhere to an outdated piece of legislation.

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CANADA

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, let us talk success. Let us talk about the success of Canadians, who are often shy about their accomplishments.

There is no reason why we Canadians cannot and should not be proud of our record. Other nations recognize our worth and value and so should we. Now is not the time to overlook, ignore, or forget just how great Canada really is.

We cannot forget that for two years running Canada has been ranked by the UN as the best place in the world to live. We cannot ignore in calculating a nation's wealth that the World Bank places Canada second in the world.

And let us not overlook the fact that at the Beijing conference on the status of women Canada received the global award for the most improvement in the status of women for progress made in the last decade. This award was given by the International Federation of Business and Professional Women. Canada has demonstrated to the world its commitment to ensuring legislative changes that enhance and guarantee the position of women.

These plateaus have been achieved by Canada for all Canadians. Let us stand up and recognize all that we as Canadians have achieved together.

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[*Translation*]

QUEBEC REFERENDUM

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, separatists are inviting Quebecers to vote at the upcoming referendum to decide on their future within Canada.

The question concocted by the separatist leaders includes two very distinct aspects. First, Quebecers are asked if they want to separate from Canada; second, they are asked if they want to be economically and politically associated with the country that they are asked to leave.

The absurdity of all this is not so much in the wording of the question, as in the fact that separatists refuse to let Quebecers know about the details of such an association before the referendum.

A proposal for an economic and political association with Canada simply cannot be implemented the way separatists are suggesting. The public will not be fooled by such trickery and will vote no on October 30.

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SALOMON BROTHERS

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, during the last election campaign in Quebec, the PQ leader often rejoiced over comments made by Salomon Brothers on the election of a separatist government and an eventual referendum. The firm said: Moreover, contrary to current rhetoric, the end of the debate on Quebec's separation will benefit Canada and Quebec, regardless of whether they remain together or separate.

Mr. Speaker, that same firm, which the PQ leader was so happy to quote back then, just advised its clients to sell their Quebec bonds and to wait until the eve of the referendum before buying them back, so as to take advantage of the better interest rates which will be generated by the political insecurity that will prevail.

Salomon Brothers is doing what it should in trying to ensure that its clients make as much money as possible. As for the Quebec separatist leaders, they are only interested in their separation project and they unfortunately leave it up to the public to pay for the higher interest rates that will result from the insecurity generated by their separatist obsession.

S. O. 31

BOMBARDIER INC.

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, last week, Laurent Beaudoin, the president of Bombardier, felt that Quebec was too small for a multinational like his. It is rather ironic to hear those who owe their success to Quebec solidarity treating us as incompetents.

• (1410)

While Switzerland and Sweden, each with about the same population as Quebec, have more than twenty multinationals of this calibre, in their opinion, Quebec will not be up to it.

A sovereign Quebec, which will rank fifteenth as a world economic power, nothing less, will not be up to it—what an idea. Who do they think Quebecers are anyways?

While the No camp, those who advocate the status quo and stand–pattism are shrinking, reducing and crushing Quebec, the Yes camp, the camp for change, believes in Quebec's and Quebecers' potential and is betting on the young and their future.

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[*English*]

ORGANIZED CRIME

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, Canadians continue to hear news that causes them to fear for their safety.

It was reported this morning that the Hell's Angels motorcycle gang is claiming that they have rights over certain turf areas. One wonders if the recent weak–kneed response to native occupations has given lawless groups the idea that territory in our country is up for grabs by terrorists.

When an 11–year–old is killed in gang war crossfire, the Liberals' red book promise of "safe homes, safe streets" rings increasingly hollow.

Some 12,000 people from the Montreal area have signed a petition calling on the Solicitor General and the Minister of Justice to enact legislation aimed at breaking the power of organized crime and protecting innocent citizens.

The Reform Party urges the Liberal government to vigorously enforce the existing laws and to take decisive steps to stamp out the growing tyranny of lawlessness in our country.

[*Translation*]

CONSEIL DU PATRONAT DU QUÉBEC

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, the Conseil du patronat du Québec has just released the results of a major survey it conducted among 418 of its corporate members, including almost all of the one hundred largest private businesses in Quebec.

It reveals that 88 per cent of the respondents will vote no in the referendum and 87 per cent of them are not in favour of Quebec sovereignty. Ninety per cent of the corporate members said that a yes vote in the referendum would result in very significant costs for Quebec. Like the vast majority of Quebecers, business leaders wonder what advantage there is for Quebec in separating from Canada.

For these businesses, which are real job creators, Canada remains unquestionably the best strategic choice for Quebec's economic, social and cultural development.

* * *

STUDIES COMMISSIONED BY THE GOVERNMENT OF QUEBEC

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, the daily, *Le Soleil*, reported in its February 14, 1995 edition that the head of the Quebec public service and secretary general of the Quebec government's executive council, Louis Bernard, had asked all deputy ministers last November to carry out detailed studies on the goods and services the federal government provided Quebec.

The purpose, for Mr. Bernard, was to find out how government functions would have to be reorganized so that the Government of Quebec could take over from the federal government before Quebec became sovereign. An initial draft of the study was to be delivered to Mr. Le Hir by the end of the month. That was in February.

Over seven months after the secretary of the executive council made his remarks, these studies by officials of the Government of Quebec remain shrouded in utter secrecy. Where is the so–called transparency of the—

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[*English*]

CAPITAL PUNISHMENT

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, on April 25 the Minister of Justice said in the House: "The Canadian Police Association, representing 35,000 frontline police officers, has now joined with the Canadian Association of Chiefs of Police in asking the government to enact legislation including the registration of all firearms. They know what is in the public interest. They know it is consistent with public safety. Let us get behind the police".

Does the minister now stand behind the police, or does he abandon them when they disagree with his own personal and political ideology? The police are now calling for the reinstatement of capital punishment and the repealing of section 745 of the Criminal Code. The minister has rejected this request.

If the justice minister no longer considers the police opinion valid, will he at least listen to the public? Will he listen to the 69 per cent of Canadians who support the return of capital punishment?

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

UNEMPLOYMENT INSURANCE

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the federal government steadfastly refuses to unveil its plans and keeps postponing the tabling of its social program reform. Clearly the government wants to keep these cuts under wraps until the referendum. We know that the federal budget announced additional cuts of more than $1.5 billion in the unemployment insurance plan, but the details are still being kept secret.

My question is directed to the Prime Minister. How can he initiate the most massive cuts ever in our social programs, including unemployment insurance, cuts that are tantamount to repudiating the social equity that millions of Quebecers and Canadians depend on?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, more than a year ago, the Minister of Human Resources Development tabled a green paper in this House. He then conducted consultations with the opposition and members of his own party, followed by consultations with the public and with the provinces. In the February budget, the Minister of Finance clearly set out the fiscal parameters for a federal program review.

All this is public knowledge. We intend to go ahead with the reform, because everyone in Canada agrees that the application of the Unemployment Insurance Act must be changed to adjust it to current economic realities. The Minister of Human Resources Development is now looking for a better way to use this money and make it easier for Canadians and all the provinces, including Quebec, to find jobs and to specialize in order to be better able to find work after a period of unemployment.

We are not like one of the coalition members, Mario Dumont, who said in the May 1 issue of *Actualité* that he would even go so far as to say that unemployment insurance should be privatized. I do not know whether the Leader of the Opposition or Mr. Larose agree with what Mr. Dumont said.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, Quebecers face a fundamental choice, the choice of the kind of society they want. I think they have the right to know what kind of society this government has in mind.

And among other things, I want to ask the Prime Minister whether we are to understand—and why not admit it, everyone knows—that the minister wanted to carry out the reform and that it was constantly postponed because of the referendum in Quebec. Why will the Prime Minister not admit that the reason for these successive postponements is that the government made the deliberate decision to put off announcing the dramatic cuts that will be inflicted on Quebec's unemployed because of the referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, these reforms will affect all workers in Canada. The impact will be exactly the same in all provinces, including Quebec, so this can hardly be used to argue that we are going to treat Quebec workers differently from workers in other provinces. The reform will be exactly the same, and, as I explained earlier, we have been working on this program for a long, long time.

We never knew the exact date of the referendum. In fact, we expected a referendum in June. Now, according to the latest news, it will not necessarily be October 30. I do not know. The writs have not been issued. So the Minister of Human Resources Development is not operating in terms of the potential date of a referendum that is not yet official.

We know there is considerable debate among the Yes side on whether or not they should go ahead. In any case, we are ready, and Canada will win.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the Prime Minister said that the forthcoming reform will affect all workers. First of all, this is an admission that all the unemployed in Canada will be affected. We know that now. Second, we know that unemployed workers outside Quebec will not be asked to vote on their political future at the end of October.

I think he should understand that we now know what he meant, when he promised he would make us face the music. Is it not obvious to him as it now should be to everyone, that Quebec's unemployed workers will be the first to face the music, the kind of music the Prime Minister promised them, to the tune of more than 40 per cent of the new cuts, which represents nearly $600 million?

• (1420)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the way in which the workers in Quebec, the workers throughout Canada, will be most directly affected is by programs that give them real support to get back to work; give them real tools to find new jobs; give them the kind of support to get them into the labour market in a way that they have not been able to do up to now.

Even the Quebec government, when it is not debating separatism, comes forward with proposals. It had to change its social programs in order to help people find employment. It admits the old passive benefit programs do not work the way they used to.

It strikes me as very strange and very odd that the Leader of the Opposition who on Sunday was saying that he is a member of the group for change is now defending the status quo. He wants to maintain unemployment. He wants to maintain benefits that do not help people get back to work.

If he is really interested in real change then he should be supporting initiatives that the government wants to take to give Canadians the right to have the dignity of work throughout Canada.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Despite all the efforts made by the Operation Unity centre to hide from Quebecers the devastating cuts the federal government is about to impose on the UI program, a secret document on this reform package from the minister's office was leaked to and made public by CNTU president Gérald Larose.

One of the things proposed in this document is to raise from 15 to 35 the minimum number of hours of work per week needed to qualify for UI benefits.

Does the minister admit that his reform will be especially hard on the thousands of women who work part time or on call, by depriving them of UI support?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the mistake the hon. member makes is to treat this document as if it has validity.

The government has not made any decisions yet on the nature of the reform. What is being talked about is some speculation released by the head of the CSN that has no validity in terms of the actual package of reforms to be proposed.

One of the stated objectives of the reforms, as we have said right from the very beginning, is to broaden the coverage of the unemployment insurance program to ensure that the new world of work, which includes a lot of people engaged in non–standard work, would now have more security and better protection. That is a commitment to which I intend to hold.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the minister did not say anything about improving benefits for the people who need it; he just talked about cuts. And your mandate is to cut at least another $1.5 billion in addition to the $1 billion you have already cut.

Does the minister at least admit that the women who will be especially hard hit by this proposal you are trying to hide will have to work twice as long to qualify for UI benefits and that, if they cannot do so, they will end up on social assistance or be unable to find a way out?

These women have a right to know what the Canada of tomorrow will be like if they vote No.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the Canada of tomorrow will be a Canada where all Canadians, including women, are treated with a great deal of fairness, equity and compassion.

Before the House of Commons right now is legislation dealing with employment equity. The hon. member knows that the government is trying to ensure that the barriers which prevent women from getting full and equal access to the workplace are reduced. She stands up and somehow denies the very initiative that we are proposing today in the House of Commons.

The hon. member takes as gospel a speculative piece from some union leader and says that is the truth when in fact I have sent to her office 24 different studies of evaluations of the UI system that show it does not work.

• (1425)

The Speaker: Colleagues, I would ask you to address the Chair at all times and not to use any props in the House.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Minister of Human Resources Development.

For the past two years the Minister of Human Resources Development has been delaying every meaningful initiative in his department. Much promised reforms to social security have been gathering dust. The white paper on aging is growing older by the day. To top it off, this weekend we learned that changes to the UI system will be delayed until after the Quebec referendum. The system was in a mess two years ago when the minister took over the department and it is in even more of a mess now.

Why all of the delays? Is it because of the referendum or is the minister just unable to come up with any innovative ways of solving the problems in our social programs?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, let me answer the question by way of specific example.

This morning I was able to announce with the Minister of Justice and the Solicitor General of Canada that we have introduced, along with the chiefs of police of Canada and representatives of all the school boards, a major program of youth employment which will involve hundreds of young Canadians working with local police to deal with the issue of public safety. That was an initiative which we took that makes a difference.

A few months ago we announced a new program of student loans and grants to help young Canadians gain access to universities. We announced a total reorganization of our department to decentralize its activities so we can deliver programs at the local level.

The reform is already under way. I just hope the hon. member will wake up and smell the roses.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, by refusing to act immediately on such an important national issue, the Minister of Human Resources Development is being used as a separatist pawn. The government should have the courage to challenge the separatist confusion head on and stop playing hide and seek with the national agenda. That is what Canadians are worried about.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I thought the leader of the Reform Party was the separatist pawn.

What Canadians really want is to get a program that works really well. That means taking the time and the interest to put together a combination of initiatives which will help people get back to work, will give us an unemployment insurance system that is sustainable and payable over the long term and which will enable Canadians to make the kind of choices they want to make in the labour market. That is what Canadians really want.

We started with a public process of consultation. We have received the views of hundreds of thousands of Canadians. Now we are putting down the details and working on it. When it is ready, when we have the best package possible, that is when it will be presented to the House of Commons.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I am asking the Minister of Human Resources Development to end the confusion and to put an end to the separatist propaganda by announcing concrete proposals for UI reform.

[*Translation*]

Quebecers are telling us that the status quo is not working, that they are not interested in it. The minister has an opportunity to show the people of Canada, including Quebecers, that we will have the chance to work on a renewed federalism.

[*English*]

It is the Liberal and Tory do–nothing approach to government that Quebecers and all Canadians are tired of.

When the minister has a chance to offer Canadians positive, non–constitutional change, why is he sitting on the sidelines afraid to make a move? Why does the minister not grab his glove and get into the game?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member is really concerned about ending separatist propaganda she should stay tuned for October 30. It will be all over at that time and we can get on with building Canada.

The best way in which the hon. member can make a contribution as the new spokesperson on this matter is to start putting forward her own proposals on behalf of her party. I suggest to the hon. member that we are working on developing the specifics.

• (1430)

The member is quite right. The best way we can redefine this country is to do it day by day in the actions we take. It is one reason that as a government we had the initiative to start a major public process so Canadians would know where we wanted to go and could be involved in the process. We consulted broadly and widely. Now we are working on developing the details.

I wish the Reform Party, which so far has absented itself from any discussion that makes any sense, would be the first to participate in this new kind of Canada.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. The confidential document from the minister's office on unemployment insurance reform the federal government wants to keep hidden from Quebecers proposes nearly a 20 per cent reduction in the unemployment insurance cheques of seasonal workers.

Does the minister acknowledge that if he were to make his true intentions with respect to these unemployment insurance cuts known now, seasonal workers would become aware that they will be getting less money for a shorter period of time?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member has once again demonstrated that trying to pose a question based upon a half–baked document and speculative logic and premise simply results in confusion. I will try to clarify it with my answer and I would suggest the hon. member pay attention.

We had a special report commissioned to look specifically at the issue of seasonal work in Canada. There have been a number of specific recommendations from that report and we will be acting on those recommendations.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, does the minister confirm that he is coming back again to a scheme with two classes of unemployed, heavily penalizing seasonal workers because they will be considered from now on to be chronically unemployed and will receive reduced benefits? Is he aware of this? Is he prepared to admit it?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): No, Mr. Speaker.

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HEALTH CARE

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, my question is for the Minister of Health.

According to federal government sources, the minister is now considering erasing the government's line in the sand on medicare by allowing private clinics. This is to occur only under certain ambiguous conditions. Will the minister confirm today her intention to allow private clinics? Why the flip–flop?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, there has been absolutely no change in this government's policy. I would refer everyone to the letter of interpretation which went out on January 6, 1995. That still stands.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, it seems ironic to the Canadian public that this minister and the government have lost the total moral authority to impose their will on the provinces. The provinces are no longer willing nor will they accept orders from Ottawa. The federal government is trying to get out of the corner it has painted itself into. It is nothing more than a sorry attempt at face saving.

Has the minister conceded to the fact finally that the Canada Health Act is not working? Will she give us a date today in the House when she will conduct an open, full review of the Canada Health Act?

Hon. Diane Marleau (Minister of Health, Lib.): Quite the contrary, Mr. Speaker, the Canada Health Act works. Medicare works for Canadians. During the 1993 election this party which formed this government stated in its platform that it would uphold the Canada Health Act. We are keeping our promises.

Let me remind you of what the Reform Party said before the election. I quote: "I want to make it absolutely clear that the Reform Party is not promoting private health care deductibles or user fees". That was Preston Manning in the Toronto *Star* on October 2, 1993 and after the election: "We want to amend those sections of the act that deny the provinces flexibility to require some Canadians to pay at least a portion of their health care costs".

Mr. Speaker, we keep our promises.

• (1435)

The Speaker: Where possible, would hon. members please refer to members by their riding.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Human Resources Development's responses would give one the impression that he has a present in mind for Canada's unemployed. Yet we know that the discussion paper, a virtually final document, one that originates in his office, calls for limiting access to unemployment and limiting the duration of benefits, as well as paying less benefits to the chronically unemployed.

If his project were as great as all that, do you not think that he would release it before the Quebec referendum? We know those guys. If the Minister of Human Resources Development is hiding his project, it is because it contains cuts.

Does the minister confirm that the order he received from the Minister of Finance in the last budget to cut at least $1.5 billion from unemployment benefits still stands and that his project responds to that order?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the answer to the question is obvious. The budget document of last February said that we want to achieve a 10 per cent savings in the existing unemployment insurance system so that we can convert those savings to the help and development of employment in this country. That was the whole purpose and is what the budget stated.

The hon. member would be much better off if he would read the entire budget statement and not half of it, just as he would be if he would stop using speculative, partial, piecemeal documents to try to justify his own case. In both instances I suggest that he should expand his reading.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, are we to understand that, if the Minister of Human Resources Development is going to so much trouble to conceal from the unemployed, the unemployed in Quebec in particular, that they will have to face the music, to use the Prime Minister's phrase, with the reform being planned for them, it is because he wants to conceal from Quebec's unemployed what is awaiting them in Canada, if ever they decided to vote no, which will not happen?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if I were the hon. member I would not be talking about hidden documents. It is a bit of a sensitive point with his party.

We have been totally open in this process. We first tabled a major consultation book. Consultations involved over 100,000 Canadians. By the way, during those consultations it was very clear that over 64 per cent of Quebecers were in favour of major significant reform of the Unemployment Insurance Act. They have already said they want to have major changes.

We have since gone through and tabled major reports on seasonal workers. We have had the House of Commons report and recommendations. We have just released 24 different studies by independent experts dealing with various aspects of the unemployment insurance program.

I would suggest that we cannot get much more open and much more clear in what we want to do than that. What we really need is to get off of the agenda of separatism and get back on the agenda of jobs.

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THE SENATE

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the Reform Party fully endorses an elected Senate. Not more than two and one–half weeks ago we called for the two vacant Senate seats in the Atlantic to be filled by an election. Even the Liberals endorsed the concept of an elected Senate although it was in a rather emasculated form in the Charlottetown accord. Given all of the above, why did the Prime Minister not use this opportunity to change the upper house from one of a House of patronage to a House that would be truly representative of Canadians?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I voted in a referendum that included reform of the Senate which required senators to be elected. The hon. member and his party voted against it.

• (1440)

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I would suggest that maybe the Prime Minister is trying for the function of comedian instead of Prime Minister. He knows that the Charlottetown accord proposal was weak kneed and totally ineffective.

Why did the Prime Minister not take the opportunity to work with the provincial premiers and get an elected senator, the same way they did in Alberta with Senator Stan Waters? Why did he go the old patronage route? Is he simply trying to keep control over the entire parliamentary process like a dictator?

The Speaker: My colleagues, I would suggest that the language is getting very, very close to being unparliamentary. I will permit the right hon. Prime Minister to answer if he so wishes.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we had an agreement with all the premiers about an elected Senate and the hon. member and the Reform Party voted against the agreement in the Charlottetown accord.

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[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is directed to the Minister of Human Resources Development.

The unemployed will be severely affected by cuts of at least $1.5 billion in the unemployment insurance plan as of next year. Quebec alone stands to absorb more than $600 million worth of cuts. These will be felt particularly in regions with a high proportion of seasonal workers, whose benefits will be reduced, since from now on they will be treated as second class unemployed workers.

Does the minister realize that by making Quebec alone absorb $600 million in cuts in unemployment insurance, he is practically putting whole regions like the Saguenay—Lac–Saint–Jean, Abitibi—Témiscamingue, the North Shore, the Gaspé and the Saint–Maurice area on welfare?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I believe I have already answered the question which has been asked several times.

The answer bears repeating. The present unemployment insurance system is not working very well. Since 1983 until 1993 we have seen its costs go from $8 billion to up to $20 billion. We found that in many cases it discourages people from taking more work. It is not providing the kind of resources people need to get back into the job market. It does not provide the kind of encouragement and the kinds of tools that are needed.

Other countries around the world spend 30 per cent or 40 per cent of their labour market money on active employment measures. We spend 16 per cent. The fact is we want to make a change in the program to give a much stronger emphasis to the opportunities for employment.

It strikes me as increasingly strange. Members of that party continually say they want change, they want improvement, but when they have an opportunity to make changes that will help people get back to work, they say absolutely no. It is too bad they do not say no to the referendum and yes to unemployment insurance changes.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, if his reform is so good, he should table it now, so we can look at it and make up our minds beforehand.

My supplementary is directed to the Minister of Finance. Would the minister confirm that the target he has set for his colleague at human resources development with respect to next year's cuts in the unemployment insurance program is still at least $1.5 billion?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is quite clear, as the Minister of Human Resources Development said, that what we really want is to create a springboard for job creation. That is the basic purpose of these reforms. The minister said that the money would be reinvested in proactive programs in order to put Quebecers and Canadians back to work.

Now I would like to ask the hon. member, who keeps talking about hidden agendas, why the Bloc, why the separatist movement refused to publish a study by Georges Mathews which shows that the deficit will triple. Why will the Bloc Quebecois and the PQ not put the partnership offer on the table? Because it is an empty shell? Because they are not sincere?

Mr. Speaker, yes, there is a hidden agenda, the agenda of a separatist movement that is afraid of the truth.

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[*English*]

HOUSE OF COMMONS

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, my question is for the chair of the Standing Committee on Procedure and House Affairs.

• (1445)

I am dismayed by the pattern in this House and in committee of sexist and racist comments that demean all members of Parliament. The last election greatly improved the representation in this House of people who represent the diversity of Canada.

Could the chair please tell me what measures are being considered by his committee to demonstrate and ensure that those MPs who demonstrate sexist and racist behaviour are dealt with most seriously?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am sure that all members of the committee are striving to make this House a more welcome place for persons who represent the diversity of this country.

To that end, at our meeting in June of this year a discussion took place in the committee about the advisability of adopting more rigid rules in respect of members who abuse their freedom of speech in this House by using abusive, racist, or sexist language. In that regard, we studied briefly and intend to go back to studying the examples set in other jurisdictions where for example members are suspended for a more extended period than is now the case, where there is a loss of pay for members who engage in this kind of conduct, where there is a loss of travel and telephone privileges in respect of those members, and where there is expulsion from the parliamentary precinct, not just from the House, for members who engage in this kind of conduct. All those matters are being considered by the committee at this time.

* * *

CRIMINAL CODE

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, Claude Forget, a cop killer, was convicted five months ago of shooting two Montreal police officers while he was unlawfully at large. Because this justice minister refuses to get tough with hard core criminals, Forget could be set free following a parole hearing.

Since the justice minister believes a harsher sentence for hate crimes will act as a deterrent, when will the minister enact harsher penalties to deter criminals from shooting police officers?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member in his question is not fair to the facts. There are already in the Criminal Code penalties, including life imprisonment for the kind of crime to which he has referred.

The Forget case on its own facts involves an issue having to do with the calculation of sentences. As the hon. member well knows, Bill C–45, which is already before the House, the Solicitor General's bill, deals with many of the issues presented by that case.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, what it really deals with is a weak-kneed Liberal system.

The Solicitor General's press office says there is nothing that can be done to prevent Forget from having a parole hearing in just a few months.

If this Liberal government can pass retroactive legislation nullifying the Pearson airport contract, why does the Solicitor General believe a parole procedure change cannot be enforced retroactively for dangerous current criminals?

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I would like to acknowledge the fine contributions made by the hon. member in committee. I would also like to remind the hon. member that we have a mechanism in place. We have the National Parole Board, which is going to review that case, no doubt. I am sure that a number of the concerns raised by the hon. member as well as the victims will be taken into consideration when this will be deliberated by the National Parole Board of Canada.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The minister foresees requiring young people to work 26 weeks at 35 hours a week in order to be entitled to unemployment insurance benefits if they lose their jobs.

Given that young people already have difficulty finding stable employment and have to go from one contract to another in order to survive, will the minister not acknowledge that his proposal will deny them the support of unemployment insurance and keep them out of the labour market? Is this what the federal government has in store for young people the day after a no vote?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I will give an example of what the federal system is doing for young people to help them get employment.

We have worked out a series of partnerships with the private sector where we are able to provide internships this year for close to 25,000 young Canadians to get major training as they move from school to work. We are investing our money in developing good skills to meet the job requirements so that they can make that important bridge between formal education and the workplace.

• (1450)

Fortunately, I was able to work in co-operation with the ministry of education in Quebec and Chrysler Corporation just a month ago to sign an agreement that will give us a new program of internship on car maintenance and repair in Quebec through a partnership. That illustrates how if we work together in partnership we can really help our young people, as opposed to always trying to split things apart.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, despite the minister's fine words, the level of unemployment among young people has hardly gone down since the last federal election, and young people did not benefit from the slight increase in employment in 1994. In Quebec, the number of young people on welfare has remained at 75,000 since the last federal election.

Will the minister acknowledge that young people need help between jobs and not a push into social assistance?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, just to make sure we have the facts clear, in the province of Quebec in the month of August the social assistance rolls dropped by 13,000. So when the hon. member says that nothing is being done to help them, we are investing.

I would remind him that just last summer we signed an agreement worth $80 million with the Government of Quebec to help people on social assistance, including young people, to get jobs, to get training, to get back in the market. That is something that did not happen under the previous administration, of which the hon. Leader of the Opposition was a member. We were able to do it. We were able to get an agreement and we are helping 25,000 Quebecers get back to work today because of that agreement.

* * *

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, my question is for the justice minister.

On December 7, 1994, the minister, in response to my question in the House regarding consultation between the minister and the provinces on the gun legislation bill, said that "consultation was engaged in continuously with officials in the offices of every provincial and territorial attorney general—every one of them".

In light of the collective opposition of Alberta, Manitoba, Saskatchewan, the Northwest Territories, the Yukon, and B.C., as revealed this summer, does the minister still stand by that answer?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Of course I do, Mr. Speaker.

First, let me say that I do not accept the premise of the hon. member's question. I do not agree that all of the governments he has referred to are against the bill. Second, as I said last December, we engaged in continuous consultation with the officials of provincial governments as we went about preparing that legislation. The mere fact that some of them, for their own reasons, have found parts of the bill they do not agree with is no proof that consultation did not occur. It certainly did.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, three of the attorneys general named in my earlier question appeared before the standing committee and said that they were not consulted. The aboriginal groups, as well, said that they were not consulted.

Through clause 103 of Bill C–68 the Minister of Justice has granted the federal government the power to initiate proceedings under the Criminal Code, which is clearly an incursion into provincial jurisdiction as guaranteed under section 92 of the Constitution. Did the minister gain the consent of the provinces before expanding the federal government's criminal law powers into traditional provincial jurisdiction?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it seems to me symptomatic of the very tired and lifeless condition of the hon. member's crusade against this legislation that he is trying to revive an issue that was fully debated last year and put to rest with the facts. The facts are that there was consultation. There has been consultation throughout this process, both with provincial governments and with aboriginal organizations. If the results are not pleasing to the hon. member that is too bad, but it does not mean that meaningful consultation did not occur.

* * *

LAND MINES

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, my question is for the Minister of National Defence.

Today in Vienna members of the world community are coming together to begin another round of talks on the United Nations protocol for certain conventional weapons, including land mines. It was reported in the media today that the Ministry of National Defence does not support a ban on land mines. I would ask the minister if he could tell the House the government's policy on this controversial issue.

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we as a government are committed to taking action with respect to land mines, but we have to realize that until such time as all countries in the world deal with this very difficult problem, in national defence we have to have contingencies as part of the defence doctrine.

• (1455)

Our objective at the conference in Vienna is to put in place an effective framework for implementation and to work toward the day when all of these land mines will be eliminated.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. André Caron (Jonquière, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The confidential document issued by the minister's office on the UI reform the federal government is trying to hide from Quebecers contains proposals to further restrict access to unemployment insurance and bring down the maximum number of benefit weeks from 50 to 45.

Given that the 1994 UI reform has already driven nearly 5,000 Quebec families to seek social assistance, will the minister recognize that any further cut is simply forcing more and more unemployed onto welfare? Is that what the minister has in store for Quebec voters if they vote No?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I have two responses.

First, the hon. member is wrong in suggesting this is a cabinet document. There is no document. In fact I have never signed that kind of a document and I have not presented to cabinet my proposals for reform.

I know what the separatists are trying to do: they are trying to manufacture something out of a document. But I can say to the hon. member that he should not be using that kind of speculative paper as the basis for any kind of argument because it is simply not based in fact.

Second, I would point out to the hon. member that included in the changes we brought in last year was a special measure that would provide direct assistance to the lowest–income UI users. As a result of that reform, over 400,000 Canadians, including over 100,000 Quebecers, are receiving an additional $1,000 a year. This shows our commitment to help the lowest–income people in this country.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, in light of the request the minister has received from the Minister of Finance, will he admit that the federal government's sole objective is to curb its deficit at the expense of UI and welfare recipients through UI reform and cutbacks on transfers to the provinces?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, of course not. The hon. member knows much better than to say that.

We have said right from the very start that we have a mandate from the people of Canada to help create jobs and get people back to work. At the centre of that initiative is a need to change a piece of legislation that has not had any major modification for over 50 years. It no longer relates to the kind of world of work we are in.

Enormous changes have gone on in the workplace. We want to modernize that system, upgrade that system, improve that system so that people have a better chance of getting employed. That is the fundamental purpose of the reforms we are initiating.

* * *

PEARSON AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, from the beginning the Pearson airport contract has been a conflict of allegations and facts.

The latest allegation is that the Prime Minister discussed Pearson and solicited funds from Jack Mathews. The facts are that as soon as the alleged evidence of the Prime Minister's involvement surfaced an offer worth $325 million more than Terminal 3's value was floated, which if accepted would conveniently end the newest allegation.

My question is for the Prime Minister. Does he not agree that this latest allegation is serious and that paying off people without a full public inquiry, which I have been requesting since the beginning of this fiasco, would lead to an assumption of guilt?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the sad saga of the hon. member's campaign to try to defend an indefensible deal is pathetic.

In this situation I want to quote directly, because the allegation the hon. member made last week and is repeating again today about the potential for the purchase by the government of Terminal 3 has been refuted not only by the government. Jack Fleischmann, speaking for Claridge president Peter Coughlin, said: "The idea of selling the terminal may have been raised casually, but never in a serious way. To characterize it in any way as serious or semi–serious is just ridiculous."

The hon. member should check with members of his party. I do not really believe that anybody other than the hon. member in the Reform Party supports the Pearson deal.

TOBACCO

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is for the Prime Minister, who like all members is shocked by the fact that 45,000 Canadians die each year as the result of illnesses related to smoking.

Will the government stop giving the tobacco companies special treatment and include them under the Hazardous Product Act?

• (1500)

Failing that, will the Prime Minister invoke the notwithstanding provision of the Constitution to overrule the recent decision by the Supreme Court? Surely 45,000 deaths a year is a good reason to use the notwithstanding clause.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Health replied to that question last week. We are looking at all the options. We thought it was a good idea to ban the advertising of these products in the media. The supreme court ruled it was not constitutional.

We are now looking to see what can be done and if we can change it. There was some indication in the judgment where the judge perhaps gave us some options. The Minister of Justice is looking at the judgment at this time along with the Minister of Health. When we have an answer we will be happy to report to the House of Commons.

* * *

[*Translation*]

SCHOOL DROPOUTS

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the Minister of Human Resources Development, who claimed this afternoon to share or have concerns about the younger generation.

If that is so, I would like to know why his government cancelled the Stay–in–School program designed to fight the problem of school dropouts, a problem so important that his own colleague, the Minister of Finance, criticized the Quebec government last summer for not paying enough attention to the problem of school dropouts.

Why did his government cancel the Stay–in–School program then?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I am pleased to answer the hon. member's question. I remind him he was a member of the administration in the previous government and he would know the stay in school program was funded by the previous government only for a five–year time limit. It was sunsetted after five years.

I extended it for an additional year in order to give us time to work with various private sector and community organizations to enable them to pick up the program. As a result of that extension we have been able to negotiate a number of agreements.

I am very pleased to announce we now have agreement with the new National Basketball Association franchises in Vancouver and Toronto which have continued to encourage the stay in school program as part of their community involvement. We now have the program continuing through the auspices of various important initiatives by the National Basketball Association and other community sponsors.

* * *

MIDDLE EAST

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, my question is directed to the Minister for International Trade.

We are all familiar with the rebuilding of infrastructure in the Middle East, especially given the improved peace initiatives in that region. We are also familiar with the important role Canada plays in Middle East affairs.

Could the minister tell us what Canada is doing to ensure we are proactive in pursuing opportunities for contracts in the rebuilding of infrastructure in the Middle East?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the question from the member for London—Middlesex is especially timely given the progress that has been made in the peace settlement process in the Middle East. Against that background the need for infrastructure and the need to sustain the economic development of the region is evident everywhere. It is in such products that Canada is eminently qualified to supply.

We reopened our embassy in Beirut in January, indicative of the commitment we are making to the further progress in the Middle East.

I also take this occasion to pay tribute to my parliamentary secretary, the member for Ottawa Centre, who has been particularly active in leading delegations and trade fairs to the Middle East.

* * *

PRESENCE IN THE GALLERY

The Speaker: I draw the attention of members to the presence in the gallery of a parliamentary delegation from India led by the Speaker of the Lower House, my brother Speaker, the Hon. Shivraj V. Patil.

Some hon. members: Hear, hear.

The Speaker: This concludes question period.

* * *

• (1505)

POINTS OF ORDER

QUESTION PERIOD

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I seek clarification and I am sure you will help me.

During the last question the member for Prince George—Bulkley Valley was standing. You, Mr. Speaker, named a member who was not standing at the time. Is this the way it is supposed to be?

The Speaker: It is a legitimate question. The hon. whips of all the parties were privy to discussions which went on as to how the Speaker will recognize various members during question period. That a member is standing does not necessarily mean the Chair will recognize that member.

The Chair has been provided with some guidance by the whips of all parties, and to the extent possible your Speaker tries to fulfil those wishes prior to going to any new members.

If the hon. member would like further clarification, I invite him to see me either in my quarters or here behind the chair in a few moments.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

COMMITTEES OF THE HOUSE

BILL C-64

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Human Rights and the Status of Disabled Persons.

Your committee has considered Bill C-64, an act respecting employment equity, and has agreed to report it with amendments.

[*Translation*]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to table the 87th report of the Standing Committee on Procedure and House Affairs, which lists the members of the Standing Joint Committee on the Library of Parliament as well as the associated members of the Standing Committee on Aboriginal Affairs and Northern Development.

With leave of the House, I intend to move for concurrence in this report later this day.

[*English*]

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I move that the 87th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

• (1510)

PETITIONS

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating all across Canada. It has been signed by a number of Canadians from Alberta, B.C. and Manitoba.

The petitioners to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

JUSTICE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I am pleased to present a petition almost entirely from the city of Duncan in the riding of Nanaimo–Cowichan dealing with the citizens' concern about sexual predators, methods of sentencing, the justice system and the Young Offenders Act. They are asking the House to enact legislation to reform the justice system and the Corrections and Conditional Release Act.

ASSISTED SUICIDE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, I have the honour to present to the House a petition signed by 30 individuals from my riding.

The petitioners pray that Parliament ensure present provisions of the Criminal Code of Canada prohibiting assisted suicide being enforced vigorously and that Parliament make no change in this law.

OFFICIAL OPPOSITION

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I bring to the attention of the House a petition signed by people in Ontario and Nova Scotia.

They state the Bloc Quebecois is comprised solely of members elected from only some constituencies in the province of Quebec; that the Reform Party of Canada having only one less member in the House representing constituencies in five provinces and with constituency associations in every province of Canada more truly represents the interests of Canadians.

Therefore the petitioners call on Parliament to preserve Canadian unity, parliamentary tradition and to protect the rights of all people of Canada by prevailing on the Speaker of the House of Commons to recognize the Reform Party of Canada as the official opposition during the remainder of the 35th Parliament of Canada.

BILL C–68

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present today 26 petitions containing over 6,500 signatures. Despite the fact that Bill C–68 has passed the House of Commons petitions keep coming into my office. The people who have signed these petitions are reluctant to give up hope that the law will be amended or scrapped all together.

The petitioners believe the costs of the measures proposed within Bill C–68 have been severely understated and they feel the already strained resources of law enforcement agencies will be taxed beyond reasonable limits. They are therefore asking Parliament to carefully reconsider the problem of violence in Canadian society and enact legislation to deal with that problem without further burdening Canadian citizens.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I gave a question to the House over 17 months ago and I still have not received an answer. I would like to serve notice that I intend to transfer the question and raise the subject at the adjournment of the House.

The Speaker: Question No. 40 so transferred.

GOVERNMENT ORDERS

[*English*]

EXCISE TAX ACT

The House resumed consideration of the motion that Bill C–103, an act to amend the Excise Tax Act and the Income Tax Act, be read the second time and referred to a committee.

• (1515)

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak on Bill C–103. Nominally or technically the bill deals with revenue. It is an instrument to assist in the development of Canadian culture.

I want to take a moment to congratulate the Minister of Canadian Heritage for his foresight in this area, as well as his very able parliamentary secretary for her dedication to this issue and others in the area of heritage.

[*Translation*]

We heard a little earlier today the minister's eloquent speech about the advantages of this bill for an important component of the Canadian cultural industry.

We also heard the comments by a member from the Reform Party, and I must say that I could hardly believe my ears.

[*English*]

Some years ago I had the opportunity as a member of the Canada–U.S. Interparliamentary Association to attend a meeting with U.S. legislators, congressmen and senators of the United States. The issue of culture was on the agenda of that meeting.

It was interesting to hear the debate. At the time it was the film industry in the United States that was protesting quite loudly what it perceived to be certain rules in this country which did not allow it, in its view, the opportunity to do the amount of business it felt was the correct amount.

Today we heard a member from the Reform Party refer to some sort of cultural nationalism and cultural patriotism, describing the bill as being some sort of extreme right wing legislation.

[*Translation*]

Needless to say, those comments are totally unjustified. The purpose of this bill, which comes from the minister and not from some extremist supporter of Canadian nationalism, is to reassure this country's cultural industry that we want to help promote the growth of Canadian periodicals.

[*English*]

Coming back to the meeting with Canadian and U.S. legislators, those legislators at the time were telling us about the film industry. Obviously they had been lobbied very hard by groups in the United States. They explained to us how they had these provisions to deal with and how they were supposedly unfair.

I remember the answer of one of my colleagues at that meeting. It was something like this: "Would you as an American legislator tolerate it if 97 per cent of all the films shown in your country were made elsewhere? Would you tolerate it if you looked at films all day long, every day, all week for the rest of the year and never saw one single building, one single street or one single city located in your country?" They shook their heads and said: "No, we guess we would not".

This situation is similar. The member from the Reform Party who spoke about cultural nationalism and cultural protectionism, and those other adjectives he used, surely would understand that. Canadian cultural industries are not asking to dominate the world. They are asking to be able to operate and to enable us to see in magazines and periodicals the equivalent of what I described a little earlier of the problem in the film industry. It is the same thing. It is the same thing on paper.

I do not want to oversimplify the problem but I believe that is what we are seeing. The issue of magazines is important. Members across say that surely the government is not saying that the magazine industry is so uncompetitive or so derelict that it cannot compete elsewhere. That is not the issue.

• (1520)

There are economies of scale and entrepreneurs, particularly in the United States, are taking advantage of them. I did not invent, nor did the member opposite, the fact that the nation beside ours speaks the same language as the majority of Canadians and is 10 times larger.

That is the reality with which we live. We live beside a giant. It is not good, it is not bad, but it is there. Surely all of us understand that. I am sure the member opposite can. We should not pretend that we can compete—for specialty magazines particularly but for magazines over all—that we can lose the little bit of advertising revenue which we have, to people elsewhere and still be able to survive. I hope the hon. member is right in saying that we can do that everywhere. The reality is that the economies of scale make it very difficult for that to happen.

Last year I subscribed to a magazine about skiing. They sent me about eight monthly publications. I did not know it at the time, but the magazine in question, even though it had a post office box in Canada, was produced in the United States. Not one picture of a Canadian ski slope was in those magazines. Not one advertisement was for a hotel room or anything else that I could recognize. I did not subscribe again. I had absolutely no use for

it. However I did not know that at the time I subscribed to the magazine. These things are not obvious when we subscribe to those magazines. How are we supposed to know?

As communication develops more and more, the sophistication of the methods of advertising for some of these products also develops, such as the technique I have just described of periodicals using post office boxes. For some reason they always seem to be in the same town in southwestern Ontario. Now that I have subscribed to that particular magazine, I recognize the coincidence of so many businesses being located in a small village. Obviously they are not located there. A variety of methods are available to those businesses, such as using a post office box in Canada. An application is faxed by one person, probably on the Canadian side, to heaven knows where south of the border and then the people are put on a mailing list and the goods are shipped back this way.

We are facing these things in this industry and in a variety of others as well. It is not a matter of Canadians not being smart, which the hon. member of the Reform Party said underlined the position of the government. It has nothing to do with that at all.

[*Translation*]

That is why we must recognize the problem inherent in a legislative loophole that allows some magazines to publish a Canadian edition by inserting a number of pages or articles with so–called Canadian content in what is otherwise a totally foreign publication and then trying to pass it off as a Canadian product.

[*English*]

The split runs, as they are referred to, with components of a particular periodical being Canadian or perhaps nominally Canadian, do not constitute Canadian publications per se.

It is disconcerting that this bill is not receiving the support of all members of the House. We should be speaking with one voice about our Canadian cultural industry and about our Canadian cultural identity. That is the very least we could do on a bill which is perhaps to a degree housekeeping but to a larger extent is symbolic of what we must do as Canadians.

• (1525)

[*Translation*]

And I am disappointed by the position expressed by our colleagues from the Reform Party.

I will support this bill later when it is voted on in the House of Commons. In the few minutes we have left, I hope that the members opposite—that is to say, the members from the Reform Party—will think long and hard, examine their consciences and tell the Canadian people that we must act together in a concerted effort to protect Canadian cultural industries.

[*English*]

We have a rich history and a strong cultural heritage. As Canadians we have not waved the flag very much. I am not an historian. I would love to say that I am, but I am a fan of history. If I was anything else but the MP for Glengarry I would probably have been kicked out of office if I was not a fan of history because the area I represent I like to say is the birthplace of Ontario.

Glengarry is an area familiar to the minister. A few months ago he was nice enough to come and dedicate the Sir John Johnson House, the building where, one could argue, Upper Canada was founded in 1784. I thank the minister for his visit. I wish all members could see this very important, historical village in my riding where great Canadians such as Alexander Mackenzie, Simon Fraser, John Thompson and many other northwest explorers all lived. This one community was the birthplace of the province of Ontario.

Mr. Milliken: Williamstown.

Mr. Boudria: Williamstown was named in honour of Sir William Johnson who was the leader in the Mohawk valley of the United States. The town was named by his son Sir John Johnson when he came to Canada as the leader of the United Empire Loyalist refugees, as they were known then, and the Mohawks. He was the leader of both. He came with them to Canada and named the town in honour of his father.

This is just one example of a strong, important cultural and historical site in the constituency that I represent. I have always thought that if Williamstown had been in the United States, not that I wished it were there, it probably would have been the equivalent of Gettysburg, a very important site. My point is that it is virtually unknown to many Canadians.

As Canadians we have not recognized the importance of many of the sites such as that, the artefacts and knowledge that is historical and cultural in its content.

Today we are discussing a bill which is not necessarily related to history, although I suppose it could be in the case of publications of that nature. However in a general sense it speaks to an issue which we should all stand up for today as Canadians, to the extent that we can in the House. I am speaking of the protection, preservation and enhancement of our culture and our heritage. I hope we will all do that later today when we vote on this bill.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I can assure the hon. member that our party stands up in favour of a strong Canadian culture. What we disagree with is how to get there.

• (1530)

I would like to pose a question to the hon. member. First, the hon. member talked about economies of scale. I think he would acknowledge that other industries over the last several years have utilized economies of scale but this has not meant the

complete collapse of various Canadian industries. In fact what has happened, which I think he would acknowledge, is that many of those industries have grown stronger and have gone on to compete around the world.

Bill C–103 actually prevents that from happening for the Canadian magazine industry. I will give the member a perfect example of that. Télémédia, a Canadian company, which actually publishes *Harrowsmith* magazine out of the United States, had to be grandfathered into the bill so that it could continue to publish in Canada as well.

When this legislation is put in place, assuming it will be, in the future Canadian companies will not be allowed to publish out of the United States and then have it come back into Canada. In effect, it stops Canadian companies from expanding. To me, that is absolutely ludicrous. It shows how provincial and inward looking this legislation is.

I challenge the hon. member to defend that particular aspect of this legislation and ask him how that is going to promote Canadian culture around the world.

Mr. Boudria: Mr. Speaker, I believe the hon. member is wrong. He says that the economies of scale that exist in other industries have not hampered Canadian businesses from operating. Perhaps there are industries where that is true. Obviously such is the case. However, I challenge the member to find people in the printing business who would not agree with the proposition I am going to make and say that when we are talking about printing and distribution of documents, periodicals and otherwise, economies of scale are not important.

The small book publishers in Canada would agree that the economy of scale that exists south of the border has been very difficult for their industry as well. There is a company in my riding called Cormorant Books, which has published works from very famous Canadian authors. It always has this difficulty because of the huge size of the runs south of the border whereby one can publish books, perhaps not of the same quality. I think our authors are better. Maybe I am just a little biased in that regard. Notwithstanding, the fact remains that the cost of publishing per unit when we get into those absolutely large sizes south of the border is such that it makes it very difficult for the Canadian industry.

All this bill hopes to do is to provide the small incentive that will make it such that we can help our Canadian industry a little bit in the area of periodicals and magazines. It is not a sinister plot. It is not cultural nationalism or cultural whatever it was the hon. member referred to a while ago. It is simply a reflection of the reality that we can and we should as a society have this kind of an industry based in Canada for the benefit of Canadians.

Surely the hon. member would understand that. If he does not, perhaps his constituents or others can remind him of the benefits of what I have just referred to.

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, it seems to me that many of us in this House have been struggling since we first went to school and then university and participated in Canadian society about the way in which we define ourselves as a country, as a society, and ultimately how we survive in a world that is becoming in some ways a globalized world. You can put it as you like, but it would be unrealistic for us as Canadians not to recognize that we have a unique culture in this country. We must work hard to preserve the existence of that culture.

• (1535)

Our magazine industry is an essential component to the preservation of our culture because our magazine industry determines in some respect the news our citizens read. It determines the way in which our citizens perceive events. It determines our ability to reflect ourselves.

We have a very rich cultural expression in our magazine industry. There are many magazines published in this country, and many of them provide extraordinarily beneficial insights into where we are going as a country and where, if I may say from my own perspective as chairman of the foreign affairs committee, Canada should place itself in the world. Those are very important voices, which we must maintain. Those are voices we must encourage. Those are flowers that must be nourished if we are to survive.

We must recognize that if we allow our magazine industry to fail and after that our film industry and after that other industries, we as a country will be left without a voice, without an ability to express ourselves, without an ability to affirm ourselves here in this House, to affirm ourselves in our scholarly institutions, to affirm ourselves in our civic institutions.

I do not wish to overemphasize this, but the richness and diversity of our magazine industry is an important component to the existence of our cultural identity. We can be proud of the richness and diversity of that magazine industry and some of the magazines we are able to read.

The unfortunate fact is that our industry is not on a sound financial footing. The fact of the matter is that it does depend on advertising revenues. I have the figures here. It depends about 85 per cent on its advertising revenues. Our magazine industry publishes for a much smaller population base than its competitors from the United States.

This is where this bill seeks to do something. It seeks to redress a delicate balance with an enormous industry in the United States with tremendous export potential, with volumes against which we cannot compete in any way. I am sympathetic to the point raised by my colleague from the Reform Party that we have to recognize that there is an export component to this as

well. However, there will be no export component to this if the industry does not survive here domestically first. We have to preserve the basics.

This bill does not seek to in any way give an unfair advantage to our domestic industry. It merely seeks to make sure that from a tax perspective American publications that come here are not taking advantage of that enormous market they have and in fact what is the equivalent of dumping in this country. They are dumping not only their product, but they are dumping ideas. They are dumping their civilization. I use dumping in the term of an international trade lawyer. It is coming in here in huge quantities, at a very cheap price and in a way we are not able to compete with.

[*Translation*]

We must give ourselves the weapons we need to protect ourselves if we want our civilization, our culture, our country to survive in an increasingly globalized world. This is what Parliament, what all parliamentarians should try to achieve.

[*English*]

This is a modest measure to try to achieve that important goal. It fits very well within what our government has said in respect of our trading measures. We have said clearly whenever we have sought to develop trade policy in this country that the cultural industries of this country and our cultural existence are not up for negotiation. We will insist we have a right to adopt laws and measures that protect our cultural existence.

The magazine policy we are looking at here goes back over 30 years. I can remember as a young man being at university and reading about the dispute over *Time* magazine and the tax policy. Many of the members of the House will remember the same thing. We have grown up on this. It is not an issue that is going to go away. It is not an issue we can afford to let go away. We owe it to ourselves to ensure that we create the sound financial basis in our country for the survival of our own cultural institutions and then deal with it from a trade perspective.

This measure manages to achieve that balance. It gives our industry that breathing room, that sense that we can survive, that we are not going to be completely submerged in the weight and the volume of imports of American magazines that naturally come here. Nobody is saying we will not let magazines in. Nobody is saying we are going to stop anything. All we are saying is that we must ensure the financial viability of our industry, which depends on its advertising revenues for that viability and that vitality.

• (1540)

I come from the community of Rosedale, which is proud of the vitality of the cultural industry in the city of Toronto and feeds on it. Toronto is becoming a cultural centre of international acclaim. Americans come in high numbers to go to our plays, to our musical festivals, to participate in the rich cultural life we have in the city of Toronto.

Part of that rich cultural life is there because we have publications that feed it, fit into it, amalgamate with it and create a sort of a whole of a sense of a vibrant cultural existence that is a part of this country. We owe it to ourselves to continue always to encourage that, to build on that, which is what the minister is trying to do in the bill. It is commendable.

These are extremely complex and difficult issues, particularly in the modern trade climate, which requires that we must recognize there is a balance to be achieved. Overall, what we get with this legislation is a recognition of a problem. The problem is a lack of funding for an important industry. We get a recognition that the way to deal with overwhelmingly powerful competition is to tell our local producers here is something that will give them some marginal ability to guarantee that their bottom line will allow them to survive.

As such, the bill balances these and gives us the ability, when we get down to it, to preserve what is an essential industry in our country if we are to have a country where we know what our ideas are, are able to express them, get those ideas into print, share them with one another, and continue to make as a result a contribution to our country and ultimately to the world as a whole. For that reason, I support wholeheartedly the measure. I hope that other members in the House will support it as well.

I look forward to working with the minister in other areas where we can ensure that the cultural dimension of our domestic and foreign policy will ensure that Canadian values and interests are not only dealt with here but actually have access to the world as a whole. To do that, we must first ensure we are on a sound footing at home. This is where we start. The bill is a modest but important contribution to that start.

Mr. Ted White (North Vancouver, Ref.): I listened to the hon. member's speech with interest. I do not know what his background is prior to being an MP, but I was in small business. I owned a small business and I employed 10 people. As I listen to this talk about giving special consideration to certain industries, whether it be through subsidies or tax concessions or grants or whatever, as a small business person who created jobs without any subsidies, without any help or special consideration from government, it really starts to irk me. And I know that it irks all the other small business people out there who are also creating jobs without this special treatment from government.

I realize we are talking about culture here and that this gets everybody very upset. However, why should there be any more protection for a magazine than for any other small business, simply because it is cultural?

I have sold my business now, but were the 10 jobs I created not worth just as much as the jobs that are created by some magazine that is subsidized? Does it mean it was not important because I did not get a subsidy and it was not cultural? I had to compete with Office Depot and huge companies like B.C. Tel, which had millions of dollars to compete with me. Did I start whining and moaning, asking for the government to help me? No. I got out there and did what I did well and I made sure I concentrated on products and services that people wanted.

What is wrong with the magazine industry looking around and taking a few surveys to find out what its customers want and putting it in a format people are prepared to buy, without needing a subsidy here and a subsidy there? They would do well to build a niche for themselves.

For example, in New Zealand, where I am from, the film industry was subsidized forever by the government. When they had their debt crisis down there they pulled the subsidies for the film industry.

• (1545)

For a change, instead of making a lot of rubbish the film industry started making worthwhile quality films which it could sell internationally which now win awards. I am sure some members here have seen those films.

What possible excuse could the member have to denigrate all small businesses that fight to create jobs without these subsidies? How does he justify giving special conditions to these other industries?

Mr. Graham: Mr. Speaker, the hon. member's observation is to some extent legitimate in the sense that we are struggling now to get away from the world of subsidization and special treatment for certain industries or certain products.

However I do not think it is fair for him to suggest to the House or to members of the public that there is an exact parallel between an industry which manufactures a product which then goes out into the marketplace and a cultural industry.

The member asked me my background. I taught international trade law at university and I am involved in a small business and I have some business interests in the United States, in the United Kingdom and in Europe. I have had the opportunity of working through a lot of business problems.

I do not think the member would be wise if he said all businesses were the same and we treat them all the same.

Why is it important to preserve or give special treatment to a threatened industry such as the magazine industry where for example we might not choose to do that in the textiles industry, in the shoe industry or some other industry?

The answer is that when we are talking about trade and when we are talking about competition it is one thing to speak of competition in normal products and goods but another when we are talking about competition in ideas, through which the hon. member's children will determine their view of the world, we have talked a lot about violence in the House. We have talked a lot about the need to preserve our society from violence. Members of the Reform Party continually day after day speak in the House about the need for better criminal legislation to deal with the issue of violence but the member now wants magazines which come across the border espousing and pushing violence on the same footing as everything else.

The reason we need special treatment for this industry is we need a Canadian view of life. We need a way of being able to express ourselves. That is why it is different. It is ideas. It is the future of our generations that we are talking about here. We are not talking about a pair of shoes. We are not talking about a shirt or a tie. That is why we are desperately determined to preserve something that is the way in which we will be able to express ourselves. That is why when we look at radio, television, magazine publishing or newspaper publishing we always consider it with a special provision.

The United States is no different. It pushes its industries in that area extraordinarily hard. Everywhere we go in the world, if we talk to French politicians, to Australian politicians, if we talk to anyone, we are all concerned about the preservation of our cultural values and identity. Why? Because we do not wish to have them submerged in somebody else's concept about what we are about and what we are trying to do.

That is what this bill is directed toward. That is why it is really worth an exception from the general principle.

I subscribe entirely to the member's point that we must get away from a system where government is involved in subsidizing average industries. I strongly urge him to consider that there must be a difference always between industries making ordinary products and those products of the mind which represent our ability to be stable, to be civil, to be tolerant and exist in a world which is becoming more complex, more violent and more difficult to survive in.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I listened with interest to the comments of the member for Rosedale.

If we truly had a protectionist attitude maybe we would not have ABC television or CBS television. Maybe we would not be exposed to any television programs come from the United States or elsewhere. Maybe the NHL would never be in the United States and maybe we would not have t he NBA coming to Canada now.

There is a contradiction the member is espousing but obviously does not see when he talks about protectionism and in the same sentence talks about the global economy and how we must compete. I am wondering if the member could again try to explain to the House the reconciliation of what he is saying.

• (1550)

Mr. Graham: Mr. Speaker, there is an American conservative philosopher we may have seen on television, George Will. He has often said that free trade ranks somewhere between Christianity and jogging as an item which is much talked about but little practised.

I suggest to the hon. member that if he looks at other nations and at other countries he will find they too seek to protect their cultural industries for the very reason which I urged on him today. Please do not take me as being a protectionist. I am not some sort of Luddite who says we should build up a wall and not let in U.S. television programs. We know technology will make all of that totally and utterly irrelevant. It would be ridiculous to try to do that.

Given that technology is driving more open borders and more access, we should not shut other things out. It is all the more reason to ensure that at least our local industries are operating on a level playing field. That is all we are asking. That is all this measure seeks to do. This measure is not trying to erect some enormous wall. All the other things will still come in. What this measure is seeking to do is to ensure that this frail industry we have in Canada has sufficient financial means that when the bottom line is there it will continue to survive. The bottom line for it is finance, but the bottom line for us as a country is survival. That is why I am in favour of the bill.

Mr. Hart: Mr. Speaker, I thank the hon. member for his answer. However there is still a contradiction and I was wondering if he could clarify it further.

The government is planning to introduce legislation regarding neighbouring rights. Here is legislation which will affect an industry in Canada, the broadcast industry, which is in severe trouble. It is losing millions of dollars a year and yet the government has plans to tax that industry. How can it justify that when it will look after another industry? There is a protectionist attitude toward one industry and yet there is a failing industry in Canada, the radio broadcasting industry, and the government will do nothing except increase its taxes.

Mr. Graham: Mr. Speaker, in the short time remaining I am not able to give an extensive answer to the hon. member's question. However, the member well knows that what seems on the surface a contradiction in public policy often reflects that different situations call for different measures.

To suggest the magazine industry is in all respects exactly the same as the broadcasting industry would be wrong. We have learned through watching what takes place at the heritage committee that with the new information highway the print media, books, film, radio and television all require quite different solutions. However, ultimately it is the same principle, to guarantee a healthy industry in Canada. That is the principle by which the government operates. We want a healthy industry, whether broadcasting, books or magazines. To get that healthy industry we will have to adopt different measures in different fields. That is the reason for the difference.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

And the bells having rung:

• (1555)

The Acting Speaker (Mr. Kilger): The government whip has informed the House the vote on Bill C–103 will take place at 6 p.m.

* * *

[*Translation*]

CULTURAL PROPERTY EXPORT AND IMPORT ACT

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.) moved that Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to introduce, at second reading, a bill which seeks to allow appeals of decisions made by the Canadian Cultural Property Export Review Board.

The Cultural Property Export and Import Act was proclaimed in 1977 to ensure the conservation, in Canada, of important objects which are part of our movable cultural heritage. To that end, the act provides export controls, as well as tax incentives to encourage the donation of cultural objects to designated museums, archives and libraries in Canada.

Moreover, the act established the Canadian Cultural Property Export Review Board, whose mandate includes three major responsibilities: to hear appeals filed when an application for an export permit is rejected; to determine whether cultural property given or sold to a designated Canadian institution is of outstanding significance or of national importance; and, to determine the fair market value of certified cultural property.

The fair market value of certified cultural property can be eligible for a tax credit, just like a charitable gift. However, unlike in the case of a charitable gift, the eligible amount is not limited to 20 per cent of the net income. Moreover, any capital gain realized following such a gift is exempt from the capital gain tax.

From 1977 to 1991, the board only had a mandate to hear appeals related to the rejection of an application for an export permit, and to determine whether cultural property was of outstanding significance or of national importance.

• (1600)

In 1991 responsibility for determining fair market value of cultural property was transferred from Revenue Canada Taxation to the Board. At that time, there was no provision for appealing Board decisions in this connection. Thus the right of appeal provided by the Income Tax Act was inadvertently lost.

The number of gifts of cultural property has increased constantly since 1991 and the Board received a record number of requests for the 1994–1995 fiscal year.

In performing this new function, the Board carefully examines the fair market value proposed for a gift. In the majority of cases, it accepts as the fair market value the amount indicated in evaluations made in good faith by at least two independent assessors and obtained by the recipient institution.

If the Board requires additional information, the recipient institution may seek another opinion, or in certain cases the Board itself may have an assessment done by Canadian or foreign experts. After it receives this information and approves the proposed amount, the Board issues a tax certificate for the cultural property in question for the amount established.

In approximately 10 per cent of cases between 1991 and 1994, or some 150 cases annually, the Board determined that the monetary value of the gift was lower than the evaluations accompanying the application.

In conformity with the current provisions of the Act, if additional information becomes available, the applicant may request that the Board redetermine the fair market value of the gift. If the Board does not change its initial assessment, the applicant will then have no further avenue of appeal.

[*English*]

Donors in custodial institutions have complained about the lack of an appeal process. In the interest of natural justice, they have suggested that donations to institutions might decline if it is not possible to appeal review board decisions.

In 1993 the former department of communications hired KPMG Peat Marwick Thorne to undertake an independent assessment of the needs for an appeal of determinations of the review board. During this study using professionals, art dealers, donors, collectors of cultural property and members of the review board were interviewed about the need for an appeal. Agreement was unanimous: an appeal process should be established.

As a result in June 1993 it was announced that the Cultural Property Export and Import Act would be amended to allow donors of cultural property to appeal determinations of the review board to the Tax Court of Canada, a right that had been in place before 1990.

At the same time it was announced that amendments would also be included to extend the circumstances under which donors would be able to request determinations by the review board. Donors, institutions and some professional associations such as the Canadian Museums Association have advised me that they continue to believe it is essential that there be an appeal of the review board's determinations.

It is expected that the expanded circumstances whereby the review board can redetermine fair market value will mean that the donor and the review board will be able to come to an agreement about value. It is expected that this will significantly limit the number of appeals to the Tax Court of Canada.

• (1605)

The question of who is eligible to request a redetermination of fair market value has been the subject of some discussion with the Department of Finance. The legislation states that either the donor or the applicant can request a redetermination while only the donor can appeal to the tax court.

These proposed amendments will benefit donors, museums, archives, libraries and art galleries throughout Canada. While donors do receive a tax credit, their donations enrich public collections for the enjoyment and education of all Canadians.

This program is open to all. Many important objects of Canadiana have been donated by individuals from every sector of society, gems of history, heritage and culture that may have been in their families for generations.

In conclusion, the tax incentives for donations of cultural property continue to enrich public collections. They ensure that objects which might otherwise be lost to Canada are retained here for the benefit of all Canadians.

I also believe that the establishment of an appeal process is sufficiently important that we will be reallocating resources within the department of heritage to ensure that it will function effectively. The establishment of an appeal of determinations by the Canadian cultural property export review board is in fact only the reinstatement of the right of appeal that was lost in 1990.

This legislation will help to ensure that Canadians do not lose the evidence of their heritage. I would ask for support of this initiative which will strengthen legislation that has been instrumental in preserving our national heritage.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, it will be a pleasure for the Bloc Quebecois to support the bill tabled by the Minister of Canadian Heritage. We think it is extremely important for this bill, whose purpose is to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, to be passed as soon as possible.

The only point I would like to make as opposition critic is—and speaking of bureaucracy, I think this is a good example—that back in 1991, it seems that after the legislation was adopted, they realized, at least that is what I was told, that through an unfortunate oversight they forgot to include the right to appeal. It seems to me that at the time, the government should have turned around and said: "Listen, we forgot something. We will immediately amend the legislation we just adopted to correct this oversight".

Fortunately, four years later—and I hope we will have time to finish the process—it will be possible to adopt the legislation and correct this oversight, to ensure that Canadian cultural property remains in Canada. There is a weak spot in this legislation, an omission, and we would have liked to see stricter controls on the export of cultural property.

I once saw a television program that provided clear evidence that many items of Canadian cultural property are readily passed across the border between Canada and the United States. It seems that controls are so lax this is not a problem.

I think it is important to remember that the right of appeal is a fundamental right. If someone makes a decision, he must have the right to appeal, the right to be heard if he is not satisfied with that decision.

• (1610)

That is exactly what is happening here. You donate something, its fair market value is assessed, you are not satisfied, and you appeal to the board which can then decide to make certain changes.

If you are still not satisfied with the board's decision, you have a second chance to appeal, this time to the Tax Court of Canada.

I think it was an excellent decision in 1991 to take the responsibility for this decision away from Revenue Canada, since the board has the real expertise. The people there are knowledgeable about the value of cultural property. They are experts, so it is much easier for them to determine the value.

I think the minister's speech was very clear. The Bloc is prepared to support this legislation, which is very technical and is based on a natural right. This is a bill the Bloc can go along with because its purpose is to correct an oversight, the kind of technical legislation we have become accustomed to getting from the Minister of Canadian Heritage. In fact, I would like to see the minister introduce fundamental legislation on Canadian policy, and we are really waiting for the new copyright act. I am launching one more appeal in this House.

However, it is not my intention to take up too much of the time of this House, for whatever reason, and I think that the minister gave a very clear explanation of a technical bill. I mentioned omissions that are of some concern to the Bloc Quebecois, but he has our support, and that will be it for now.

[*English*]

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a pleasure to address Bill C–93. When addressing an amendment it is important when doing research to look at the actual act and make some judgments about whether or not the act in itself is a good piece of legislation and whether or not it is appropriate for a political party such as ours to support the act overall. I will touch on the amendment and speak a little more broadly about the overall act.

Both the minister and the hon. member who just spoke talked about the appeal process. Previously there was an appeal process which permitted people to go to Revenue Canada and ultimately to the tax court to get a ruling on the value of a piece of art being donated to a recognized Canadian cultural institution. We do not have problems with that. One big concern we have with respect to the whole issue is the potential for bureaucracy and the potential for abuse. I want to talk about that in a little more detail.

One concern we have is that there is a potential for a board which has been appointed by a government to be very cosy with people in the arts community. Very often they come from the arts community. I am very concerned that we will have a situation similar to what we have in the Canada Council today where artists sit in judgment of other artists. It is a "you scratch my back and I will scratch your back" situation. I can see some real potential for abuse.

To be a little more specific, when appointees are passing judgment on the historical value of papers belonging to former prime ministers who may have appointed them to the board, there is some real concern in my judgment about those types of things. We have to be mindful of this and ensure there are processes in place so that people are not caught in a conflict of interest position.

I know my hon. friend from Okanagan will be talking about that a little bit later.

• (1615)

Another concern is that a lot of these things are going to end up being appealed to the tax court. In my judgment there is very little doubt about that. People will say: "I am getting a raw deal" when they bring their work of art forward and ultimately say: "We want to take this on to the tax court".

This was not something told us officially, but when we were researching it, someone in the department told us there are 22 tax court judges across the country but something like 6,000 cases before the court, an astonishing number. That is a tremendous backlog of cases for determination about the value of these various articles. Given that backlog it may be advisable to allow this to remain in the hands of people who are experts in this field.

I want to talk a little bit more about the actual tax credit system itself. This is an area in which I have grave concerns. It is a tax loophole that definitely benefits wealthy Canadians more than anyone else. In the last budget the government talked very enthusiastically about the need for tax fairness.

I would argue very few ordinary Canadians are going to be able to take advantage of this legislation. Somebody who is a subsistence hunter in northern Canada, a wheat farmer in Saskatchewan or somebody who works in the coal mines in Glace Bay is not going to be able to take advantage of this loophole. The people who are going to take advantage of it are going to be the crème de la crème, the top 1 per cent of income earners. If anyone does not need a tax loophole it is them.

I would encourage the government, when it is engaging in this rhetoric about the need for tax fairness, to think about that. Not only does this legislation reward them in so far as they are the ones who are most likely to have the important pieces of art that institutions want, but it rewards them in how it has skewed the tax system for them.

Let me give some detail on that. It is amazing. In fact when I read it I could not believe it. Right now the department issues about $60 million in tax credits every year through this legislation. It works like this. If something is donated to one of these institutions the tax credit is far greater than is available for any other type of charity in the country. Normally if you donate to the food bank you can get a tax credit up to 20 per cent of your income. That does not apply to people who are making cultural donations. They can get a tax credit for all of their income. They can carry the tax credit forward into years down the road so that it can be applied against income.

It is an amazingly lucrative way of avoiding paying taxes for the wealthiest of Canadians. If one has an income of several hundred thousand dollars and gets a tax credit through the cultural export review board for $300,000 one will pay no tax. To me that is absolutely ridiculous. I wish the hon. member for Broadview—Greenwood was here.

The Acting Speaker (Mr. Kilger): May I have the attention of the House. I want to caution members not to make reference to the absence of members in the Chamber. I do concede there was no deliberate intent but certainly it is worthy of mention as we continue debate.

Mr. Solberg: Mr. Speaker, I apologize. The hon. member for Broadview—Greenwood has campaigned long and hard in the Liberal Party for a flat tax system that gets rid of the very type of loopholes that wealthy Canadians are taking advantage of today through this legislation.

• (1620)

Lately the Reform Party has talked long and hard about the need to have legislation that treats everybody fairly. Reformers believe in equity and this is very inequitable legislation. I really do have a tremendous problem with its essence which is special treatment for people who donate these objects of art. That is of great concerns.

I challenge the government to review this matter and to ask itself, in its heart of hearts, if this is really fair. I am sure on reflection members across the way who in good conscience stand in the House and tell us that they do not like to see privilege go to wealthy Canadians, if they understood the essence of this bill they would have a tremendous problem with it. That is one of the things that concerns me greatly about this legislation.

Our party views this as Robin Hood in reverse. It is not only that wealthy Canadians are getting a tremendous tax advantage here. It is the lack of revenue that is created by the $60 million in tax credits. It means that when taxpayers have to pay for things the government views as priorities, average Canadians have to be taxed to a greater extent in order to bring that revenue in. In a day and age when the talk is about cutting social programs,

reforming UI and possibly looking at pensions for seniors, that $60 million would be extremely valuable.

I will be moving a motion in just a moment on the need to bring this type of legislation in line with what currently exists in the income tax system. Ultimately Reformers would like to see a flat tax implemented which would get rid of these types of abuses and privileges for the wealthiest of wealthy Canadians.

I conclude by saying that I recognize that wealthy people are discriminated against in this country. Being wealthy is quite a burden. People are not protected in the Canadian Human Rights Act for being wealthy. Wealthy people are not protected under Bill C–41, the legislation that extended protection in the justice system to people based on certain categories. I do not believe wealthy people are protected in employment equity legislation either.

I appreciate that wealthy people have a tremendous burden to bear. I appreciate that sometimes people say snide things about them behind their backs and talk about them as though they are better than rest of us. I can see that is a large concern, but I do not know that we have to go so far to correct that abuse and that inequity as to give them the $60 million in tax credits every year.

I am going to conclude by moving a motion. I move:

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

This House declines to give second reading to Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, since it fails to address the issue of the burden the tax credit system places on middle class taxpayers who are asked to pay for a potentially endless stream of donations of questionable cultural and artistic value claimed by wealthy Canadians.

• (1625)

The Acting Speaker (Mr. Kilger): The amendment is in order. Debate is now on the amendment.

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, we have seen an example of the shallowness of the debate by the Reform Party. When people look back on the Reform record they will find Spanish eyes on the turbot, green eyes on unity and closed eyes on the cultural industry at large.

The Cultural Property Export and Import Act ensures the preservation in Canada of our heritage in movable cultural property. Through the combined provisions of export controls, grants and tax incentives for donations to designated Canadian custodial institutions, the legislation has been highly successful in enriching the collections of public institutions and thereby providing Canadians access to their heritage.

[*Translation*]

The legislation also established the Canadian Cultural Property Export Review Board and defined its mandate. From 1977 to 1991, the Board's mandate was to hear appeals in the case of denied export permits and to determine whether the cultural property given or sold to designated institutions met the criteria of "outstanding significance and national importance" contained in the legislation.

In 1991, the Cultural Property Export and Import Act and the Income Tax Act were amended in order to transfer responsibility for determining the fair market value of certificated cultural property from Revenue Canada to the Review Board.

There was no provision, however, for appeal of decisions by the Review Board, and the right to appeal under the Income Tax Act was lost.

[*English*]

The need for an appeal process was identified and acknowledged in 1993 following widespread consultation with custodial institutions, donors of cultural property, dealers in art and antiques and members of the review board. The museum community is convinced that an appeal is necessary to ensure that donors will be confident their donations will receive a fair hearing.

By establishing the right of appeal, potential donors will be assured that if they are dissatisfied with a review board determination they will have recourse to the Tax Court of Canada. With the concurrence of the Tax Court of Canada the appeal to the tax court has been made retroactive to January 1992, thereby providing all donors who have made a gift since the right to appeal was lost and who wish to pursue an appeal with both the opportunity and the legal right to do so.

[*Translation*]

The bill also covers situations in which donors may ask the Review Board to reconsider its initial decision. The increase in the number of situations in which the Review Board may redetermine the value of a gift will provide donors not wanting to spend the money involved in an appeal to the Tax Court of Canada with an opportunity for a new hearing on the circumstances surrounding the gift and the determination of its value by the Board. This approach will mean that most of the applications for appeal will be handled directly by the Review Board, eliminating the need for court proceedings and thus making the process accessible to all.

• (1630)

It will also ensure that any disagreement on fair market value is discussed by experts in this highly specialized field. Applications for redetermination made to the Review Board will be studied in depth by members of the Board and other experts as necessary.

[*English*]

The provision for two appeal processes is also cost efficient because it is anticipated that the majority of appeals will be resolved directly between the donor and the review board and will not necessitate a formal appeal to the Tax Court of Canada. In a time when we are all concerned with reducing government spending, the ability to resolve differences of opinion about fair market value with an existing organization, the review board, whose members serve on a part time basis, will result in savings of both time and money.

[*Translation*]

The review board is an agency operating at arm's length from the Department of Canadian Heritage and it is resolutely in favour of establishing a procedure whereby one could appeal its determinations regarding fair market value. The review board is made up of specialists in museology, collectors or traders, who are well aware of the difficulties custodial institutions and donors of cultural property have encountered because there was no appeal procedure. The determination of the fair market value is currently done and will continue to be done by individuals who are skilled in various areas relating to cultural property and very active on the markets where this property is sold.

[*English*]

The determination of the fair market value of any object and particularly cultural property involves an element of subjectivity that can lead to disagreement. These disagreements occurred when the responsibility for determining fair market value resided with Revenue Canada. There have been disagreements among the experts in the time since the review board has assumed this responsibility. This debate is both healthy and inevitable when dealing with often unique material. An open and transparent process at the time the review board determines and if necessary redetermines the fair market value of cultural property is essential.

The right to pursue the matter in the courts if no resolution can be found is consistent with both the Canadian legal system and the concept of natural justice.

[*Translation*]

The staff of designated institutions argued that the absence of any appeal procedure caused the number of donations made by collectors to drop. All designated institutions would therefore welcome the implementation of such a procedure, since it would foster an increase in donations while at the same time eliminating the potential for tension in dealings between donors, custodial institutions and the review board.

[*English*]

Donors of cultural property have also reacted positively to the introduction of the bill, as they believe that it removes a major deterrent to donating. Any perceived denials of natural justice have been resolved, as donors will now be able to appeal to the tax court if they disagree with the review board's determination of fair market value.

There is also strong professional support for these amendments in the communities that are most affected by the availability of tax credits for donations of cultural property. The Canadian Museum Association and the Canadian Art Museum Directors Association have expressed strong support for the bill and the establishment of an appeal process. Both associations, whose members include museums and art gallery personnel from across Canada, have issued policy statements in support of the establishment of an appeal process.

These amendments to the Cultural Property Export and Import Act to create an appeal process to the Tax Court of Canada of decisions of the review board should not be viewed as a shift in government policy, nor should they be interpreted to be a reflection on the work or credibility of the Canadian Cultural Property Export Review Board. Instead the bill must be recognized for what it is: the reinstatement of a right to appeal that was lost in 1991 when responsibility for determining the fair market value of certified cultural property was transferred from Revenue Canada to the Canadian Cultural Property Export Review Board.

• (1635)

The amendments to the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act contained in the bill will ensure the continued preservation of our heritage in movable cultural property. The appeal process will ensure continued confidence in the donation system and will in turn lead to an increase in donations to museums, art galleries, archives and libraries.

This bill also ensures that there will be public confidence in the fairness of the procedures of the review board and that there is no denial of natural justice. Furthermore, a right of appeal that was lost in 1991 when responsibility for determining fair market value was transferred to the review board will be restored.

These amendments will also remove any obstacles, real or perceived, to making donations to Canadian custodial institutions. Through these donations all Canadians will benefit, as we will be ensured of the continued preservation and access to Canada's heritage in movable cultural property.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I listened with interest to the hon. member.

What we are seeing today in the House of Commons is the hypocrisy of the Liberal government. It talks of fair taxation. It has the nerve and the audacity to talk of fair taxation. Is the bill before us fair?

It is not just donated works of art that are eligible for the tax credits; it can be anything that is deemed to be of outstanding significance and national importance. For instance, prominent retired politicians such as Mr. Trudeau, Mr. Turner and Mr. Mulroney have all donated their personal papers to the National Archives in return for very high tax credits. It will amount to hundreds of thousands of dollars over many years. Who is it being funded by? It is being funded by the taxpayers of Canada.

Fair taxation? Is it fair that this will be used by former prime ministers and people the government deems important, but not by the dual income family that is having a difficult time making ends meet? Is it fair tax policy when something like this will be used mainly by the extremely wealthy in Canada and not by the disabled worker who is on a very low income or by the mother of two who is struggling to survive?

What we are seeing today is the hypocrisy of the government, which in its last budget told Canadians that there would be a tax increase for those mothers who will have to get work to make ends meet, to the dual income family and to the disabled person.

The government raised gasoline taxes by 1.5 cents per litre. That hits home. That hits the average Canadian taxpayer.

What we are seeing today is a tax measure that is for the elite of our society.

Would the hon. member like to comment on that?

Ms. Guarnieri: Mr. Speaker, there are so many fallacies in the hon. member's statement that I am at a loss where to begin. Let me try to tackle them one by one.

I am not surprised by the limitations of the member's discourse, as his party refused an earlier briefing on Bill C-103. Had they been briefed on that bill and this bill they would be more erudite in their comments.

There are very few programs that are not vulnerable to abuse. We are not going to abandon our cultural institutions because there is one dishonest person or maybe two who might be participating in fraud or tax schemes. However we will make every effort to safeguard programs that have value. We are not going to paralyse all our programs in support of the Canadian cultural industry because of abuse to a program that has on the whole served museums and the Canadian cultural institutions well.

• (1640)

It is important—and this is the limitation of the member's argument—to understand that cultural property is not just paintings and fine works of art; it extends to our natural history.

I know the hon. members of the third party really do not appreciate our heritage and our history and would perhaps prefer to adopt a *Fahrenheit 451* policy to literature.

I remind the member that the hotels in Ottawa are packed with people who come to see our works of art and our museums. As much as they might have delusions, there is nothing much artistic about their arguments, as abstract as they may be.

On their attack on the wealthy, what they forget is that people who have money do contribute and sponsor the arts. They make a considerable contribution in that regard. The best possible treatment a donor may receive is a refund equivalent up to 50 per cent of the fair market value of the object or collection they are donating.

We understand that the members of the third party would rather see all our collections of art shipped to the United States or elsewhere to foreign markets. However, we feel there is merit in keeping them in this country, because Canadians appreciate them even if members of the third party do not.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, would the hon. parliamentary secretary acknowledge that this tax legislation also applies to works of art that are not Canadian, that it applies for instance to American works of art as well as Canadian works of art?

Ms. Guarnieri: Maybe the members opposite really do not have an appreciation for art in any form, but Canadians do not hold their heads in the sand like ostriches. There is a world there and we would like to have access to that world in any form and in a cultural form as it may occur.

Is the hon. member suggesting that we build a little cocoon around ourselves? I suspect that the hon. members have no appreciation for anything of a cultural nature. If it were up to the members of the Reform Party, the only place they would find culture would be in yogurt.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, we certainly appreciate the fine edge of wit spewing forth from the other side.

The third party, as the hon. member has put it, has raised some serious issues, not the least of which is the fact that it is the wealthiest of the wealthy Canadians who are taking advantage of this. This is not something that is available to everybody. She has continually skated around that issue.

I would ask her to address this very specifically and tell us how she can reconcile this piece of legislation with all the rhetoric of the last budget about the need to have tax fairness.

Ms. Guarnieri: Mr. Speaker, if the hon. member had opened his mind to have a briefing from the department he would have learned that it is not just wealthy Canadians who donate art; it is individuals who for instance have had Canadiana in their family for generations. These may be objects that benefit Canadians in general to know their history. The individuals have chosen to enrich the collection of local or national institutions, rather than selling them. If the member wants to reduce this just to a dollar

figure, they might make more on the foreign market if they were to sell their objects of art.

• (1645)

I can list a countless number of objects that have been donated to museums. What I might suggest is that the member might benefit from a little trip to the museum to get a fuller education.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, as the hon. parliamentary secretary knows, there is a warehouse full of alleged art which used to belong to the art bank. This art is going to sit there in storage probably for years upon years upon years. The fact is that every year the amount of tax credits that are requested and granted goes up, not down as both the minister and the parliamentary secretary have suggested.

Does it not make sense that there should be some kind of a limit placed upon the amount of available tax credits? We would then not ding people so strongly in the middle class to pay for the wealthiest Canadians. Also, where are we going to store all this stuff? We already have one warehouse full. I am wondering what the parliamentary secretary is proposing to do with the rest of it.

Ms. Guarnieri: Mr. Speaker, once again the question indicates the ignorance of the third party. If we have objects of art that are worth seeing, I think we will find a place to put them so that Canadians can benefit.

Members of the third party really thrive on misinformation. For instance, the same member mentioned that the annual value of certified cultural property is approximately $60 million. That was the figure he cited. What he did not tell Canadians is that the results in foregone revenue are approximately $25 million to $30 million annually.

Since we know the Reform Party never tells the whole story, it is the position of this government that we do not like to see a situation where flaws in the tax act cause us to lose precious works of art.

Notwithstanding the fact that members of the third party feel that natural justice should be tossed out the window, even with the limitations that the members of the third party have shown themselves to have today, I believe Canadians will agree with me that we do not want headlines such as: "Canada loses art donation due to tax rule hang–up". Most Canadians would not want to see situations like that occur because of a housekeeping matter, because of a right that was lost as an oversight, even if members of the third party do not believe in natural justice.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I would like to address Bill C–93 and also speak as to why I believe the amendment put forward by my colleague should go through.

Government members talk of abuse. This government has been full of abuse since it has been here. It has never stopped. They have lived off the backs of the taxpayers since day one. They have never changed. They said when they came to power how they would change things, how they would be different from the Conservatives. They are now called the con–lib party because there is no difference; they are in bed together and have been for a long time.

When the hon. member from across the way says there was no abuse in the system, let us look at what the Canadian public—

Ms. Guarnieri: I never said that. Do not misrepresent.

Mr. Stinson: Misrepresent. I am afraid I cannot do that with you.

The Acting Speaker (Mr. Kilger): I know colleagues obviously want to debate the issue, but I would remind the House to direct their interventions through the Chair.

Mr. Stinson: I am sorry, Mr. Speaker. Let us look at the *Gazette* where it says: "Former Prime Minister Brian Mulroney will find out this week of his approval for a tax break for donating his papers. Members of the Canadian Cultural Property Export Review Board will decide whether to accept an approval of the value of the papers which date from before Mulroney was Prime Minister in 1984". It goes on to state that is unlikely Canadians will ever find out what the deduction is worth to him, the former Prime Minister. This appraised value of the papers is private but could eventually amount to hundreds of thousands of dollars. Do we not think the public has a right to know what they are paying and giving up for the so–called works of art or donated papers?

• (1650)

Former Prime Minister Pierre Trudeau also received a tax break by declaring his papers.

In 1993–94 the archives staff under Michael Swift, assistant national archivist, completed organizing two sets of papers for Prime Minister Mulroney. The first set, which will take up to 15 metres of shelf space, covered Mulroney's time as a Montreal lawyer and businessman in the 1970s and 1980s. I do not think the Canadian taxpayers, who pay for the system, really care. If they had really cared they probably would have kept him in office, but here we go on and on.

I listened to the hon. member across the way talk about Canadian culture and heritage. Back in the late 1800s there was a gentleman who lived in Aspen Grove, British Columbia. They nicknamed him the Grey Fox. The Grey Fox is part of our history. He robbed banks and stage coaches and was one of Canada's great train robbers. Yes, I think maybe he was one of the first Liberals of the day but at least he had the common sense to use a mask. Today we see what I call the great Canadian tax grab right off the backs of the Canadian people.

Here is a caring, sharing government and what does it do? It takes away the $100,000 capital gains for the working class because they have probably already claimed it so they no longer need it. That was the first kick. The second kick is allowing these things to go on knowing full well that working class Canadians will have to pick up any shortfall in the taxation system.

We can go on. The *Gazette* of March 24, 1995 states: "Under the scheme which dates back at least 20 years, a donor buys a work of art for well below the artist's usual fee. The donor will then have the work evaluated for four or five times the amount he or she has paid for the work and then donate the piece to a gallery, museum or a registered charity and write off 100 per cent of the evaluated amount, art experts explained".

Let us go on a little bit further: "Rolland's Art–Transit has paid Montreal artist Catherine Widgery 20 per cent of the usual price for her work. 'If it is $10,000 for the work, I get $2,000', she said, 'but they will still be allowed to claim that $10,000 if it is valued at that price".

An hon. member: That is a good deal.

Mr. Stinson: It is a win–win situation, as a Montreal artist also says in the same article. Museums are happy to get things for free. That raises another question.

I was brought up to believe that a gift is a gift and a gift given is free. How do we get into a tax deduction situation for giving a free gift? Why do we call it a gift? Only in Liberal language would this ever be allowed. I do not know, maybe I have to look up what a gift means but it sure has changed from the time I went to school.

• (1655)

Back to museums which are happy to get things for free. Artists are happy because they have a bit of money in their pockets. Everybody is happy. What is not, in the words of the writer, kosher, is that a client is buying a work at below its value and getting the write off for a different amount. Still, the artist added, "I find the whole thing a little bit fishy but everybody is doing it". Doing it the Liberal way.

What is the difference between this government's taxation policy and the previous government? Nothing. It is business as usual.

The Liberals hold up the red book as a great work of art. We found out how good that work of art was in western B.C. It was in every outhouse. We found out it was only half–ply strength and you all know what happens when you use only half–ply strength.

The Acting Speaker (Mr. Kilger): This is a place of debate, but the Speaker wishes to be involved to the extent he is able to from the Chair. Please do not direct comments across the floor to one another. That word "you" inevitably leads sometimes to another debate which I do not think is something we really want to entertain.

Mr. Stinson: Mr. Speaker, let us look at what the red book has done for Alberta or Saskatchewan. They found that if they shaved it up really fine and mixed it in with the fertilizer it helped the crops grow. The trouble is that most of the crops turned black.

It has been a great benefit for the jobs program in Ontario and Quebec. It has plugged every sewer system in the provinces.

We can now also look at what it has done for Atlantic Canada and Newfoundland. It is the only fishy thing they have left down there.

I am hoping over the course of time this does not become part of our culture and heritage that goes into our museums.

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.):

[*Editor's Note: Member spoke in Inuktitut.*]

[*English*]

Mr. Speaker, it is nice to hear some fiction being put out by the hon. member. My question is very simple. He talks about tax free allowances for the rich and does not agree with it. I wonder if that means he does not agree with his leader's clothing allowance given to him by the Reform Party.

Mr. Stinson: Mr. Speaker, concerning clothing allowances, I have not heard anybody mention the $285,000 or is it $585,000 the Prime Minister gets for his toothbrushes. As the hon. member knows, there is no clothing allowance. It is a figment of their imagination, but the Liberals are good at figments of the imagination.

Mr. McCormick: I beg your pardon. No way.

Mr. Stinson: I believe there is an expense allowance that we all give our leaders and the Prime Minister gets far more than anybody else. He gets a lot I understand, a whole bunch. Somehow it is written off. I do not know how, but that is the Liberal way of balancing things. The Liberals have a funny way of justifying one but not the other. It is strange but if we fall into the Disneyworld of Liberal philosophy we will find that Mickey Mouse and Goofy sit side by side. When they draw these things up it becomes a cartoon scenario the Canadian public is just about fed up with.

• (1700)

The Acting Speaker (Mr. Kilger): Before I resume the question and comment period it is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised to night at the time of adjournment is as follows: the hon. member for Okanagan—Shuswap—a question which was transferred for debate.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am certain that not too many people will be paying for the Reform Party cultural document.

It amazes me to hear the hon. member mention this legislation is all for the wealthy and the rich and yet the same person turned around and defended the capital gains tax. The capital gains tax was purely directed to people of higher incomes. I can prove the people who received the benefits of that deduction were the higher income, wealthier people, the very people the Reform Party represents in the House.

There is a little problem with arithmetic here. The bottom line is anybody who is making a donation of, for example, $10,000 will get a $5,000 tax credit. It costs them money. This is not some kind of gift to the wealthy. They made a donation of their cultural property, be that the group of seven artists or Cornelius Krieghoff, so that it would stay in Canada and be the property of the people of Canada. This is something the Reform Party fails to understand.

The other thing that seems striking to me is that the Reform Party talks about getting rid of this and having a flat tax. I want to put things in perspective. The Reform Party does not want to admit this but the flat tax is designed to assist anybody who has an income of over $200,000.

The president of the United States with all of his analysts went through the whole concept of a flat tax years ago. He asked them to prove to him how it would not be the major system for people with over $200,000 income. It stands to proper reason that if we are trying to collect *x* dollars from the taxation system and there is a flat tax we will allocate taxes from the upper income groups to the middle income earners. That is what the Reform Party would have us believe. That is who the Reform Party is representing in the House.

The reality is the cultural products some people have are usually part of an estate. As part of settling that estate they give a good portion of these artefacts to the government through the museum system. These are things our museums would not be able to acquire. It is not a loophole, it is an incentive to keep those products in Canada.

How can he defend the capital gains tax system but not this system and how can he defend a flat tax system but not this system?

Mr. Stinson: Mr. Speaker, I know it is hard for the hon. member to understand that under capital gains the $100,000 is for the small investor, the person who tries to put a little aside to get ahead because they know darn well with what is happening underneath the government there will be nothing there for their old age unless they look after themselves. The government will take it all away from them anyway while its members make sure their pensions are well kept and they are well fed before they think about the poor average working class person. It is a shame.

When the member asks about capital gains at the $100,000 level it creates investments. It gives the Canadian working people a chance to get ahead where the government cannot weave and sneak in between and take it from their bank accounts, which this government is so very good at.

Mr. Shepherd: Mr. Speaker, really. The everyday worker, the plumber, the electrician? In my riding we have General Motors workers. I did these people's tax returns for years and I do not ever remember them claiming a capital gains tax exemption. Be serious. Level with the people.

• (1705)

These people are supporting the professional class, lawyers, doctors and accountants. That is who they are talking about. They are not talking about the everyday person in the street.

Will the hon. member please tell us who he thinks is claiming the $100,000 capital gains tax exemption?

Mr. Stinson: Mr. Speaker, I can well tell him who worked toward getting the $100,000. It was the person who invested in the nickel and penny shares in the stock exchange who tried to keep the exploration companies going. It was the person who tried to put something away so they could claim it to further their children's education.

The hon. member maybe has never dealt with the small business people in Canada. If he had problems helping people to do their tax returns maybe he should look at changing the policies he is so hard set on keeping so he can keep people like that working.

Maybe that is a question the hon. member might like to answer. Why has he not come up with some kind of a change in the program? Why is it always a Conservative–Liberal program or a Con–Lib policy that we go along with? We have bunk beds, Bloc beds and now Con–Lib beds.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have enjoyed the debate this afternoon. It indicates a philosophical difference between the Liberals and those people in the Reform Party. I suppose that is no surprise.

I have a copy of the little book of reform. This is the gospel according to the leader of the Reform Party. Let me read a bit from the booklet. From page 23: "The Reform Party supports the responsibility of the state to promote, preserve and enhance the national culture". I wonder if the hon. member opposite has ever read the little green book of the Reform Party. I recommend it to the member. It is very interesting reading, provided it is not done on an empty stomach. Otherwise it is quite good and I highly recommend it to the member.

The Reform Party supports the responsibility of the state to promote, preserve and enhance the national culture. Let us remember what we are doing today. We are adopting a bill which in a small way does precisely that. One would think the Reform Party would be saying it is about time the government did something it recommended in its handbook.

No, of course not. What happened is there are Reform members who did not read the little green book and they obviously do not know we are trying to do what they advocated.

The Reform Party seems to believe the cultural industry benefits only rich people. Let us talk about the whole industry of museums and cultural industries generally. Two of the largest cities in the world thrive and make as their main business culture: Paris and London. Those fortunate enough to have see the Louvre, I believe the second largest museum in the world, will agree it is beautiful and almost impossible to describe. The treasures are such that it would take weeks to see everything in it. Millions and millions of people have seen and will see the Louvre. One could probably open any fourth or fifth door of any building in Paris and the same would be true of so many things there. Many people go to Paris for that reason, because it is so lovely, because it is such a wonderful city and because all those cultural amenities are there.

• (1710)

[*Translation*]

Other museums are the Musée d'Orsay, which focuses on paintings, and the Centre national d'art et de culture Georges–Pompidou, which features modern art.

[*English*]

It is the same in London. I have been to the Royal Albert museum where the Magna Carta is displayed, one of the most important historical documents in the western world. There were people standing to have a glimpse of the Magna Carta. They must have been four or five abreast and a queue of them several feet deep waiting to look at it for seconds just so they could go back home and tell people they had seen it.

The Mona Lisa at the Louvre is the same thing. There were so many people around it you could barely see it at all. I had the previous misconception it was a very large painting. It is a little painting and one has to almost fight one's way to see it. Many people go there for no other reasons than to see that.

That is true of how many other works of art? How many people in this city reap the benefits of that? They are not just rich people. People visit Ottawa to see our beautiful museums. I highly recommend the Queen's collection, although it is no longer here. How many people travelled here from many communities, stayed in hotels, gave tips to waiters, gave jobs to those transporting them from the airport and so on? It has contributed to the local economy.

Culture is a business, a very big one in many cities in the world and in our country. It is big business. It provides meaningful jobs.

That is a concept people across never raise. They think somehow the whole cultural industry has half a dozen beneficiaries getting rich and no one else is benefiting so that two or three artsy–fartsies can watch this stuff. It is not like that. It is the way the Reform Party would like to depict it to Canadians and to the House. It is a wrong way of viewing things.

In my riding there is the Nor'Westers and Loyalist Museum in Williamstown.

[*Translation*]

The Cumberland Township Museum in Cumberland and other local museums hold historical artefacts, old documents, and so on. Many visitors end up spending some time in the community and supporting local businesses.

This bill applies to Canadian and other cultural property. Earlier, a Reform member asked the hon. parliamentary secretary whether someone who owns a foreign work of art would be eligible for this deduction? I am asking you: What difference would this make?

If someone wanted to give Canadian taxpayers or a Canadian museum a work by Leonardo da Vinci, would we refuse the offer? What kind of narrow minded values are some of our colleagues trying to convey in this House? If some valuable cultural property was available, I think we would want it so we could enjoy it and show it to others. And even if we looked at this from a strictly economic point of view, we as a society would want to capitalize on the fact that people would come from abroad to see it.

[*English*]

How many tourists come to this city to see these things, not just locally, not just people from 10 miles away, but people from across the country? They cross the border from the United States. They come from everywhere to see some of the things we have.

• (1715)

That is equally true elsewhere. My very distinguished colleague reminds me that we are not even talking about the educational benefit. If you bring a child to the museum and show him or her a copy of our Constitution, a copy of the original flag proclamation or other such artefact, there is a tremendous educational benefit as well.

We are talking about whether we should give a tax benefit to someone who donates an object of art. What is the test? First, the object in question has to be determined to be one that qualifies for such a tax credit. It is not arbitrary. I cannot empty out my desk and call it art or cultural property and get a tax credit for it, although maybe some day the little green book of the Reform Party could be put in a museum. However I do not think I would get much of a tax credit.

The first test is that the object has to qualify. The second test is what the parliamentary secretary said in her speech a while ago if members across had been listening, which is giving a credit of 50 per cent of the market value. My other colleague from Durham is very knowledgeable with numbers as he is a accountant. I am sure he would agree that if you start off with that proposition the taxes saved are a proportion of that, whether it is 50 per cent, 60 per cent or whatever the number is depending on the tax bracket the person is in.

Let us now assume a 50 per cent tax bracket. That means that if one gives a $1,000 object one does not get $1,000 from the taxpayers. One receives $250, assuming a 50 per cent tax bracket working on 50 per cent of the appraised value of the original work. That is the way I see it. If those numbers are even slightly off the principle remains the same. It is not a matter of only rich people getting a credit for a piece of cultural property.

[*Translation*]

Let us not forget that the Reform Party, despite the comments made by some of its members today, launched its last election campaign by calling for the promotion, the furthering of Canadian culture. I am totally confused. I must tell you that I am having difficulty in following the logic used by Reform members. Their thoughts and actions seem to lack coherence. What are these objects they are talking about?

[*English*]

Some members across have alluded to the fact that former Prime Ministers gave their personal papers. Let us look back in history. Let us not measure things as they are now. I am not here to defend Brian Mulroney. I probably criticized him more than all the MPs across put together. However, that is not the point here today. The point is not whether I happen to agree with that person's policy at the time he was the Prime Minister. I think the verdict is already out on that one. Read Stevie Cameron's book and you will find out in case you are still in doubt.

The point is whether there is value to these objects. That is determined by an independent panel, not by members of this House and least of all by political opponents such as I. It is looked at historically. As I said earlier today speaking on another bill, if we were to evaluate today whether the documents of Sir John A. Macdonald are of historical value we would be hard pressed to find people who do not think they are. They are obviously very significant. Probably three years after he left office the discussion on the issue would have been a little different. The same applies for many other people.

Some time ago the Hudson's Bay Company gave some important historical documents of that very old business which was founded in the 17th century. For a period of time that company owned part of what is our country today. It was the physical owners of the land, a quasi government of its own with administrative powers, et cetera. Some of these documents have been given to the country.

• (1720)

I suppose there were times in the past when a trapper who brought things to be exchanged at the Hudson's Bay store did not get what he considered to be the proper value. He would not have thought much about the cultural value of the documents that belonged to a company that did not give him what his material was worth. But that was measured in the contemporary. It is not necessarily the way in which we can measure objects of value for the future.

[*Translation*]

Our museums across the country can avail themselves of certain tax measures to take advantage of donations made to them. That is right, sometimes rich people donate works. It is great when they do so. This way, the rest of us get to see these works, because only the rich can afford to have a private collection at home. I will not see them often myself, but if these people can give some away, that is just fine.

In our society, there are also people who own works of art, say a painting bought some 30 or 50 years ago by a relative, and who now want to donate it to society in exchange for a tax benefit. What is wrong with that?

I would like to put forward a final argument: Without these measures, would it be possible for individuals richer than myself and many of our fellow citizens to buy this cultural property and put it in their private collections, where it will be impossible for the rest of us to see and appreciate it? I urge Reform Party members to think about this.

[*English*]

This measure can, has been and will be beneficial for all Canadians. However I do not feel the policy of the Reform Party is reasonable in its approach. Cultural property that is sometimes given to the public and to museums could very well end up in the hands of very small groups and would be lost to the rest of us.

I am reminded that parts of the Lord Beaverbrook collection, for instance, were given through tax credits. I do not know whether colleagues from the Reform Party have ever been to the Beaverbrook Museum in Fredericton. I highly recommend it if they have not. They would see the extent of the collection and how precious it is to have that as a property of the people of Canada. Again, one has to see it to appreciate it.

The Ontario government through cultural agencies owns the McMichael collection in Kleinburg. No doubt a portion of those works were acquired utilizing devices such as this.

Notwithstanding tax credits, which I am not too crazy about either, I am happy to see those works stay here for the Canadian public to see rather than in private collections in another country such as the United States or elsewhere, where people are either richer or have the advantage of a tax credit and can acquire property which I hope will stay here for the benefit of all Canadians.

• (1725)

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I enjoyed hearing the hon. member's intervention. He talked about the Beaverbrook museum in Fredericton. I have not been there but I have been to the National Gallery. I have seen what has purchased, either through tax credits or directly with cash, which is the way I would prefer to see it done because it is a lot more transparent and you can hold people accountable that way.

One of the things my hon. friend from Wetaskiwin pointed out was a display that hangs from the ceiling there. It is a toilet hanging from the ceiling of the National Gallery. Is that not a wonderful purchase by the people of Canada? I wonder how many tax credits we handed out for that? Perfect. Does that not speak volumes about state funded art? It speaks volumes.

I walked into a room at the National Gallery where in one corner are Brillo pads stacked to the ceiling. That is art. It is unbelievable.

I walked into another room where I thought they were undergoing renovations because there was a bunch of underlay lying on the floor. Do you know what, that was the display. Two hundred and fifty–six pieces of felt is what it is called.

I have a picture sitting on my desk of a display at the National Gallery. It is a large woman reading a newspaper and she has got a wig on and all of that sort of thing. According to the people at the National Gallery who were telling people about these displays, someone was paid $750,000 for what in my judgment is an absolutely ridiculous piece of junk.

When we talk about the government's prescient ability to choose art with other people's money let us go and take a wander through the National Gallery and find out just how good it is at this.

The hon. member from Glengarry—Prescott—Russell pointed to Reform's policy on culture. Let me address that. Our party feels very strongly that the federal government does have a role, but we also feel that these institutions have to be accountable. I also remind the hon. member that these things have to be put in context. Reformers also believe in a flat tax system. We believe that we cannot be going around giving wealthy people a special privilege. That is ridiculous. It is even more pronounced, more ridiculous in this day and age when middle income Canadians are being squeezed so dramatically.

I would ask the hon. member to put these things in context. I would much rather see private individuals, private groups, lower levels of government like municipalities and provinces run the museums and galleries to the greatest degree possible because they are a lot more accountable. When it is all funded through the federal government and people who are appointed by the federal government make the selections, they are absolutely unaccountable.

Has the hon. member gone through the National Gallery at any time in the recent past and seen some of these ridiculous, what can only be described as abuses, this mocking of taxpayers which is exactly what it is. Somehow we feel we have to support this counter culture, the people who mock a lot of the ideals that really enabled them to have freedom of expression. They mock us and we still give them money.

Has the hon. member seen this lately and how he can justify the government being involved in purchasing that kind of garbage?

Mr. Boudria: Mr. Speaker, I listened very attentively to the hon. member and have come to the conclusion that Reform Party politics has no artistic value.

The member across said that he prefers to see the purchase of art for cash rather than tax cuts. That was in his first or second line. Let us calculate that mathematically. The hon. member for Durham is an expert with numbers and so are a couple of other members of the Liberal caucus who are accountants. They know these things far better than I.

If you start off with the proposition that a work of art valued at $1,000 gives you a credit for 50 per cent of the value, which is $500 and you are in the 50 per cent tax bracket which is $250, it costs the government $250 to get a $1,000 item.

He prefers to pay $1,000 rather than $250. I think that is Reform math. I want no part of it and I do not think Canadians do either.

• (1730)

The art critic for the Reform Party wanted to tell us that a particular work of art at the national gallery in his view was ridiculous or that he did not like it. That may be so. I do not pretend to understand everything in a museum of modern art any place, not just this place. I have been to the centre Georges Pompidou. I do not understand some objects there either. However, that is neither here nor there.

The issue is whether the museum should have bought that work of art. I do not even know if the member across knows who owns the work of art in question. He assumes everything in there belonged to the Canadian public through our tax system. That is not necessarily how it was acquired. It does not necessarily belong to the museum. It could belong to another museum but here on a travelling exhibition.

I ask the member to take a little more time to go to the museum—this or any other one—speak to the curator and others and learn a little about how these things work.

I have never seen the object in question. Perhaps I would not like it either, which is a different issue. I do not even know who owns the item in question. Judging from the comments of the member in his speech I would bet a dollar to a penny he has not asked the curator of the museum who owns the piece in question.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I just finished speaking on the telephone to an 86–year old constituent in my riding who has been watching some of the debate this afternoon. You will have to excuse me, Mr. Speaker, because he said to me: "What the hell are you politicians doing over there wasting my money?"

The members opposite can wax eloquent about all the wonderful things they want to do with other peoples' money. It is other peoples' money. The majority of Canadians, whether watching this or reading about it in the newspaper, know it is their money. They are getting a bit fed up with this place which is not a travelling museum but a stationary museum wasting their money.

I get plenty of calls like the one I just had. I know that now at least my constituent will know I am trying to do something to change that system which is a disgrace. The sooner the other side recognizes it, the better.

Mr. Boudria: Mr. Speaker, the disgrace is in the quality of the remarks I have just heard.

The member referred to a stationary museum. I have never been inside the Reform Party caucus so I cannot comment on that. We all know dinosaurs are usually found in museums. To that extent perhaps he is correct.

Concerning the issue, it is a serious one. The member across may not think cultural property is important to anyone. He has a right to think that. I think he is wrong. The heritage of this country is worth preserving. That heritage may involve the community museum we have in Williamstown in the great riding of Glengarry—Prescott—Russell, the Nor'Westers and Loyalist museum where people like Simon Fraser, Alexander Mackenzie and others worked and lived, then eventually went on to explore the great Canadian west. All of these things are important. Perhaps the member across does not think so. Perhaps he does not have an appreciation for these things which is his right. I do not contest that.

If he says those historical objects, works of art, our whole heritage and past are worth nothing, then he has a right to think that. However, I remind him of the famous words of George Santayana that those of us who do not remember history run at least the risk of repeating it.

• (1735)

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I am pleased to rise this afternoon and participate in this debate on Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act.

What we are talking about is tax fairness. Fairness is something all Canadians are really looking for today, fairness in their tax system. I hear members opposite talking about the red book and talking about the green book. The only book that is really important and the one we are concerned about for Canadians is the bank book. Canadian bank books are paying for all these open ended and over generous tax credits. We are talking about $60 million in tax credits; $60 million in unfairness that is actually not in the system at the moment.

I am a Rotarian and Rotarians have a four way test. These tests apply to all the things we do and say. One of those tests is: Is it fair to all concerned? Bill C–93 misses the mark about being fair to all concerned by a very wide margin. It is unfair to the average income Canadian taxpayer who is overtaxed, has no paintings or sculptures in his or her home and he or she is the least able to pay the tax burden he or she is presently under.

It does benefit the very wealthy, the very rich in our society who have the art works and who have the sculptures and who have the ability to pay. Here we are subsidizing them. Those who have the sculptures, those who have the art works also have the bucks and are not deserving of the overly generous tax credits we are talking about in Bill C–93.

We should be looking for tax relief for the average taxpayer. I hear lots from the other side about their ability to deal with numbers, how good they are with numbers. I wonder about that when I see we are rushing toward bankruptcy, $550 billion to $560 billion in federal debt, and deeper every day, and then sleep walking to bankruptcy. I do not know where all the experts in numbers are but they sure do not know how to balance the books very well. We are still spending in excess of $35 billion more than we are taking in. They had better reclassify their experts. They are failing the mark there.

In Bill C–93 we are missing the mark in three areas when I talk about fairness. Bill C–93 introduces two new levels of appeal. There is more bureaucracy and more costs. On the second point there are tax credits for charities that are treated differently than the tax credits for the rich who have their works of art. That is grossly unfair. The third is it is an open ended system with tax loopholes a mile wide for those with the money and ability to look for them.

Let us take the first one where we are introducing two new levels of appeal. Prior to 1990 Revenue Canada decided the value. That was the way it should have been. After the 1990 budget the Canadian cultural export review board was brought into being with no appeal, or at least no appeal without reason.

Today Bill C–93 adds two steps to that. We now can have an appeal without a reason. We do not need a reason for an appeal. I cannot understand the logic of that but we can appeal without a reason. Perhaps someone over there can explain that to me.

Then there is an appeal to the Tax Court of Canada—more delay, more bureaucracy and more cost. In the end we have taken it right back to where we were in 1990 where the tax department makes the final decision. What have we accomplished other than more delay and more costs to the taxpayer who is footing the bill?

These appeals will escalate the cost. Take the scenario in which I have a piece of art in my home. I would be lucky to have a piece of art worth $1 million. I say it is worth $1 million. The review people take a look at it and say it is only worth $.5 million. What do we do for the next step? We go to the tax court. Judges being what they are will say they will meet me half way and it ends up being worth $.75 million. Who is the winner there? It is not the overtaxed taxpayer.

• (1740)

Let us look at the tax credits to charities. The limit is 20 per cent of net taxable income. It is money going to food banks and the Salvation Army, money to help those really in need and we have a limit on it. They are crying for help. They are under constraints from the government. No, it is a 20 per cent limit. That money goes to charities to help people really in need.

Now we look at works of art donated by the rich and the wealthy of this community and there is no limit. The government will give them whatever they want. It is all right. It is a blank cheque. It makes no sense at all. It is grossly unfair. It is Liberal mathematics. The number crunchers have come up with this and the deficit will increase, the debt will increase and our tax burden will increase.

It is an open ended system. I do not think there are any qualifiers. They can keep dumping art on us until the warehouses are full. There is no regulation which say we can only take so much or we have only so much money to put into this. It keeps increasing and we will keep putting it into warehouses. It might eventually find its way into museums. I would certainly hope so when we are spending $16 million a year and it is increasing. It seems to be acquisition for acquisition's sake.

Is this bill fair? Is Bill C–93 fair to all concerned? I am not just talking about the artsy–fartsy; I am talking about the hard working taxpayers who are paying for all of this art which they rarely ever get to see. It is only fair to the top 1 per cent of our community. It is grossly unfair to 99 per cent of our overtaxed taxpayers. It is unfair to the charities looking for relief. They are looking for help and for donations from Canadians. Art donations have a higher priority with the government than does the Salvation Army. The Salvation Army is helping those in need and those looking for assistance.

To say that if we defeat the bill it will be the end of art donations is rubbish. They will not stop, they will continue. We are not the ones out to destroy the cultural community, but we will not buy it with money we do not have and give it to people who do not need it.

If we defeat the bill it will close a very big loophole of which the very rich in the community can take advantage. That is wrong. The ordinary taxpayer is incensed by it and wants something done about it.

Let us do what is right for the majority of hard working, overtaxed Canadians who have no loopholes, just empty pockets. Let us be fair to all taxpayers and defeat Bill C–93.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I did enjoy the address of the hon. member for Simcoe Centre on Bill C–93.

I will give a brief review of one of the small historical museums in my riding. It is run entirely by volunteers. The artefacts and historical objects are donated through projects such as this. Two years ago that small historical museum had to sell off some of those artefacts in order to pay its operating expenses. This is the Colchester historical society museum.

When the hon. member for Simcoe Centre talks about the fairness of the bill and the cost of maintaining art, culture and objects of historical significance in Canada, is it not better and of more value to Canadians to give these artefacts through a tax credit than for the taxpayers to have to use tax dollars to purchase art of value and historical artefacts that maintain the integrity of the history of Canada?

Mr. Harper (Simcoe Centre): Mr. Speaker, I appreciate the question of the hon. member. I was certainly pleased to hear that there are volunteers running the artefacts museum in her riding. That is wonderful. We need more volunteers working in our communities.

• (1745)

I do not buy the premise that we have to offer tax credits in order to get these works of art these different paintings and sculptures to remain in Canada. I believe there are many Canadians who have done well in businesses in Canada who are prepared to make those donations tax free without any tax credits. The government is making the assumption that we have to do this to encourage it and I do not believe that.

We certainly cannot and should not be doing it at this time in our history when we are in the financial mess we are in. We just do not have the dollars to throw away in the form of tax credits to the very wealthy in this country.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am still mystified by the economics. Why is it that a $1,000 painting that we can acquire for $500 not a good one?

The member made the analysis between this kind of consumption of art work as part of our cultural history and identity with donations to charitable organizations. I am not clear at all on the member's point of view. Should we be raising the tax credit for charitable donations or should we be lowering the tax credit for works of art to 20 per cent? It is not at all clear what his analogy is and where that is taking us. Maybe the member could address that.

Mr. Harper (Simcoe Centre): Mr. Speaker, I will be pleased to address that. I am not surprised that it is not clear when somebody thinks that spending $1,000 or $500 we do not have makes sense. That kind of logic escapes me.

I am attempting to get across that the tax credit for these works of art is overly generous. We should be more generous in tax credits for the charities in our communities that are helping those who are in need. I thought I made that very clear. As I mentioned earlier, the mathematics on the other side escape me and their inability to grasp the seriousness of the debt position this government is in at the moment.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, we were talking a little while ago about the acquisitions government has made and just how credible it is when it comes to making these acquisitions.

I wonder if the hon. member is aware of the current display at the National Gallery by the artist Paul Wong entitled: "On Becoming a Man". It depicts a man and a woman laying buck naked in a bed with a couple of blow up dolls. I am certain there are all kinds of wonderful reasons to acquire this kind of art and probably no price is too high to pay for this wonderful art, but I am wondering if the hon. member from Simcoe has seen this. If so, can he tell us whether or not this is a worthy acquisition and an appropriate role for our federal government to be playing?

Mr. Harper (Simcoe Centre, Ref.): Mr. Speaker, I must admit I have not seen this wonderful piece of art. Having it now described I do not think I will take the time to go and look at it. It is another example of the terrible waste of our tax dollars. Thousands and thousands of Canadians will never get to see it and many more of them would never want to see that kind of art. It is a tragedy that money is being spent in that area.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, a moment ago my colleague from North Vancouver mentioned a phone call from an 86–year old.

In Wild Rose a lot of people watch the parliamentary channel and the things that go on. In my colleague's view, just exactly where would this type of bill fit in the list of priorities of today's problems we have in government? People in Wild Rose are saying there is a $600 billion debt. Parents of 10–year old children like Melissa are worried sick about what may happen to them. Bombs are blowing up all across the country because gangs are claiming turf or making sure they get their turf if they do not have any. We sit around and talk about all kinds of things that crop up because the magicians over there and their highly paid lawyers come up with all kinds of documents and legislation that we have to look after.

• (1750)

People in Wild Rose want to know when we are going to get down to business. In two years we have not accomplished anything in their view. They would say that right this minute the Prime Minister and a lot of other people over there should be in their seats.

The Acting Speaker (Mr. Kilger): Colleagues, I fully respect that this is the place to have the debate of the day on this particular matter. Clearly, we have all been here long enough now that under no circumstances can the Chair accept any reference to any other member of any party not being present in the Chamber. I would ask all of us to please keep that in mind.

I ask the member for Wild Rose to please complete his question or comment because I must continue with the debate.

Mr. Thompson: Mr. Speaker, people in Wild Rose would wonder why we have not filled this place with all members of Parliament, getting down to business, working hour after hour in here trying to solve the problems of the nation. I would like to know what priority my hon. colleague puts on legislation of this type.

Mr. Harper (Simcoe Centre): Mr. Speaker, I thank the hon. member for Wild Rose for his question. Very simply, I would give it an extremely low priority. It would actually be below gun control, which is another waste of a minimum of $90 million of our hard earned tax dollars.

I find it appalling that we are dealing with issues such as this while the country is heading into bankruptcy. We are going deeper and deeper into debt and we are talking about tax credits to the rich. We are not dealing with the real serious problems we are facing as a nation. We are dealing with issues that should not even be in front of us at this time in the history of the country.

If we would do something about balancing our budget so that we can start offering some tax relief to the citizens of Canada we

would see the economy grow and jobs being created. The overly high unemployment level would then be reduced to something which is far more acceptable.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, from the level of the debate particularly from the opposition benches this afternoon, I can see that the dinosaurs from the west are not only in Drumheller. Some of them appear to be alive and kicking and present in the Chamber today.

It is important to understand that cultural property is not just paintings and fine art. It extends also to natural history, paleontology and mineralogy, all aspects of human history, archaeology, military history, antique furniture, antique firearms, which I am sure my friends like very much, scientific and technological objects and a full range of archival and library materials. There have been some significant examples recently of donations which help to illustrate the diversity of cultural property that is included in the legislation.

Last summer several pieces of a meteorite fell near St–Robert, Quebec. These have been donated to institutions in Quebec and to the Geological Survey of Canada to enable scientists to enhance their knowledge of space and the history of the universe.

The Hudson's Bay Company donated its extensive archival collection of business records dating from the 17th century to the present to the archives of the province of Manitoba. This collection includes information rich documentation that is being consulted and analyzed for such diverse information as arctic exploration, Canada's economic development and even climatic changes and weather patterns.

Native run museums in British Columbia have been able to retain important and in some cases sacred objects in their communities through donations facilitated by the act.

Some people like to characterize these tax credits for donations of cultural property as loopholes for the wealthy.

• (1755)

I am thinking today of some constituents of mine. They are not people who drive $70,000 Cadillacs to Parliament Hill. For instance there is a research scientist for the federal government who has a group of seven painting which he inherited from his grandmother. He has loaned it to the art gallery of Windsor. A grade school teacher who is a friend of mine has collected primitive Inuit pieces over many years which I am sure she will ultimately donate. There is an anthropologist retired from the University of Windsor who has a collection of native relics. On Pelee Island in southwestern Ontario there are retired farmers who have exquisite collections of fossils and native relics. These are not wealthy people. These are not people for whom these so–called loopholes are gaining extraordinary advantage. These are people who would like to be able to make a donation of their precious collections.

Even if somebody is wealthy, and some donations are made by wealthy Canadians, this is consistent with their support of performing arts, of the arts community and of collecting institutions. Without their support Canada's museums, archives and libraries would not have the quality collections they now possess. Nor would we be able to actively participate in the international exchange of exhibitions and scholarships. Without strong collections in our custodial institutions we would have a reduced sense of our own identity and a diminished role internationally in the cultural domain.

Many individuals who have donated important objects of Canadiana have donated those objects from collections which have been with their families for generations. They have contributed to the preservation of Canada's history. These individuals have chosen to enrich the collection of a local or national institution rather than exporting the object for sale with the result that it would be lost to Canada forever. While they may receive a tax credit for their donation, it is nevertheless a philanthropic act on their part because the money they receive is equivalent to about 50 per cent of the fair market value of the object.

Donations ensure that we are able to maintain a record of artistic development in Canada and that artists receive the recognition and exposure in Canada they so richly deserve.

In today's economic climate few collecting institutions have funds to purchase objects and we must therefore rely on donations. By offering incentives for donations to custodial institutions that have demonstrated they meet professional standards, the Government of Canada is able to provide assistance to ensure that their collections continue to reflect our country's heritage. This is something that is certainly valued by the government if not by the Reform Party.

Responsibility for determining fair market value of cultural property has been transferred from Revenue Canada to the Canadian Cultural Property Export Review Board. This happened in 1991. However this arm's length board was making decisions which could not at that time be appealed. The establishment of an appeal process of the determinations of the Canadian Cultural Property Export Review Board proposed in this bill will permit any donor of cultural property who disagrees with its decision the opportunity to pursue this ultimately with the Tax Court of Canada. What could be fairer?

The amendments in this bill should be reviewed as a guarantee of the donor's right to natural justice through an appeal to the judicial system if that is warranted. These amendments should also be viewed as the reinstatement of the right of appeal that was lost in 1991 when the responsibility for determining fair market value was transferred to the review board.

The announcement of these proposed amendments was applauded by members of the public who enjoy and who value our cultural history, by collectors, by custodial institutions and by members of the review board itself. We believe that the establishment of this appeal process will strengthen the incentive for individuals to collect and ultimately to donate cultural property to designated institutions or public authorities rather than to sell it on the international market.

In recent months articles have appeared and comments have been made even in the House suggesting that tax avoidance schemes have extended to donations of cultural property.

The Acting Speaker (Mr. Kilger): I regret having to interrupt the member. Certainly she will have the opportunity to conclude her remarks when this bill comes back to the House for further debate.

* * *

CORRECTIONS AND CONDITIONAL RELEASE ACT

The House resumed from September 21 consideration of Bill C–45, an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act, as reported (with amendments) from the committee.

The Acting Speaker (Mr. Kilger): It being 6 p.m., pursuant to Standing Order 45, the House will now proceed to the taking of the deferred divisions at report stage of Bill C–45, an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act.

Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): The first question is on Motion No. 1.

(The House divided on Motion No. 1, which was negatived on the following division:)

(*Division No. 333*)

YEAS

Members

Abbott
Ablonczy
Benoit
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chatters
Cummins
Epp
Gouk
Grey (Beaver River)
Grubel
Hanrahan
Harper (Calgary West/Ouest)
Harper (Simcoe Centre)
Hart
Hayes
Hoeppner
Johnston
Manning
Martin (Esquimalt—Juan de Fuca)
Mayfield
McClelland (Edmonton Southwest/Sud–Ouest)
Mills (Red Deer)
Morrison
Ramsay
Ringma
Schmidt
Silye
Solberg
Speaker
Stinson
Thompson
White (Fraser Valley West/Ouest)
White (North Vancouver)—34

NAYS

Members

Adams
Alcock
Allmand
Anawak
Anderson
Assad
Assadourian
Asselin
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Beaumier
Bélair
Bélanger
Bélisle
Bellehumeur
Bellemare
Bernier (Gaspé)
Bertrand
Bethel
Bevilacqua
Bhaduria
Blaikie
Blondin–Andrew
Bodnar
Bouchard
Boudria
Brien
Brown (Oakville—Milton)
Brushett
Bryden
Calder
Caron
Catterall
Chrétien (Frontenac)
Chrétien (Saint–Maurice)
Clancy
Cohen
Collenette
Collins
Copps
Crawford
Culbert
de Jong
de Savoye
Deshaies
DeVillers
Dhaliwal
Dingwall
Dromisky
Duceppe
Dupuy
Easter
Eggleton
English
Fewchuk
Fillion
Finlay
Flis
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gagnon (Québec)
Gallaway
Gauthier
Godfrey
Goodale
Graham
Grose
Guarnieri
Guay
Guimond
Harb
Harper (Churchill)
Harvard
Hickey
Hopkins
Hubbard
Jackson
Jacob
Jordan
Karygiannis
Keyes
Knutson
Kraft Sloan
Langlois
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
Loney
MacDonald
Maclaren
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Maloney
Marchand
Marleau
McCormick
McGuire
McKinnon
McLellan (Edmonton Northwest/Nord–Ouest)
McTeague
McWhinney
Mifflin
Milliken
Mills (Broadview—Greenwood)
Minna
Murphy
Murray
Nault
Nunez
Nunziata
O'Brien
O'Reilly
Pagtakhan
Paradis
Payne
Peric
Peters
Phinney
Picard (Drummond)
Pickard (Essex—Kent)
Reed
Regan
Richardson
Riis
Ringuette–Maltais
Robichaud
Rocheleau
Rock
Sauvageau
Scott (Fredericton—York—Sunbury)
Serré
Shepherd
Sheridan
Simmons
St. Denis
Steckle
Stewart (Brant)
Stewart (Northumberland)
Szabo
Taylor
Terrana
Thalheimer
Tobin
Torsney
Tremblay (Rimouski—Témiscouata)
Ur
Valeri
Vanclief
Venne
Volpe
Wells
Whelan
Wood
Zed—156

PAIRED MEMBERS

Bachand	Bakopanos
Bergeron	Bernier (Mégantic—Compton—Stanstead)
Bonin	Caccia
Campbell	Cannis
Canuel	Cauchon
Chan	Crête
Dalphond-Guiral	Daviault
Debien	Dubé
Duhamel	Dumas
Finestone	Fry
Gagliano	Gerrard
Godin	Gray (Windsor West/Ouest)
Ianno	Kirkby
Lalonde	Landry
Laurin	Lavigne (Verdun—Saint-Paul)
Leblanc (Longueuil)	Lee
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Massé	Ménard
Mercier	Paré
Patry	Pomerleau
Proud	Rideout
St-Laurent	Stewart (Northumberland)
Walker	Wells

• (1825)

The Acting Speaker (Mr. Kilger): I declare Motion No. 1 lost.

Mr. Boudria Mr. Speaker, would you seek unanimous consent to apply the result of the vote just taken to report stage Motions Nos. 4, 5, 17 and 19 of the same bill?

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

[*Translation*]

Mr. Duceppe: Agreed.

• (1830)

[*English*]

Mr. Ringma: Mr. Speaker, I understand that most of my colleagues will go along with this. That is their intention. If there are any exceptions I will expect them to rise.

Mr. Taylor: Agreed.

Mr. Bhaduria: Mr. Speaker, I agree with the motion of the government House leader.

The Acting Speaker (Mr. Kilger): I declare Motions Nos. 4, 5, 17 and 19 negatived.

[*Editor's Note: See list under Division No. 333.*]

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 7.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe there would be unanimous consent to apply the vote just taken on the previous motion, Motion No. 1, in reverse to the motion now before the House.

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Taylor Agreed.

Mr. Bhaduria: Agreed.

(The House divided on Motion No. 7, which was agreed to on the following division:)

(*Division No. 334*)

YEAS

Members

Adams	Alcock
Allmand	Anawak
Anderson	Assad
Assadourian	Asselin
Axworthy (Winnipeg South Centre/Sud-Centre)	Barnes
Beaumier	Bélair
Bélanger	Bélisle
Bellehumeur	Bellemare
Bernier (Gaspé)	Bertrand
Bethel	Bevilacqua
Bhaduria	Blaikie
Blondin-Andrew	Bodnar
Bouchard	Boudria
Brien	Brown (Oakville—Milton)
Brushett	Bryden
Calder	Caron
Catterall	Chrétien (Frontenac)
Chrétien (Saint-Maurice)	Clancy
Cohen	Collenette
Collins	Copps
Crawford	Culbert
de Jong	de Savoye
Deshaies	DeVillers
Dhaliwal	Dingwall
Dromisky	Duceppe
Dupuy	Easter
Eggleton	English
Fewchuk	Fillion
Finlay	Flis
Fontana	Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Gallaway	Gauthier
Godfrey	Goodale
Graham	Grose
Guarnieri	Guay
Guimond	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Hubbard	Jackson
Jacob	Jordan
Karygiannis	Keyes
Knutson	Kraft Sloan
Langlois	Lastewka
Lavigne (Beauharnois—Salaberry)	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln	Loney
MacDonald	Maclaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
Maloney	Marchand
Marleau	McCormick
McGuire	McKinnon
McLellan (Edmonton Northwest/Nord-Ouest)	McTeague
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Murphy
Murray	Nault
Nunez	Nunziata
O'Brien	O'Reilly
Pagtakhan	Paradis
Payne	Peric

Peters	Phinney
Picard (Drummond)	Pickard (Essex—Kent)
Reed	Regan
Richardson	Riis
Ringuette-Maltais	Robichaud
Rocheleau	Rock
Sauvageau	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Simmons
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Szabo	Taylor
Terrana	Thalheimer
Tobin	Torsney
Tremblay (Rimouski—Témiscouata)	Ur
Valeri	Vanclief
Venne	Volpe
Wells	Whelan
Wood	Zed—156

NAYS

Members

Abbott	Ablonczy
Benoit	Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)	Chatters
Cummins	Epp
Gouk	Grey (Beaver River)
Grubel	Hanrahan
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hoeppner	Johnston
Manning	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest/Sud-Ouest)
Mills (Red Deer)	Morrison
Ramsay	Ringma
Schmidt	Silye
Solberg	Speaker
Stinson	Thompson
White (Fraser Valley West/Ouest)	White (North Vancouver)—34

PAIRED MEMBERS

Bachand	Bakopanos
Bergeron	Bernier (Mégantic—Compton—Stanstead)
Bonin	Caccia
Campbell	Cannis
Canuel	Cauchon
Chan	Crête
Dalphond-Guiral	Daviault
Debien	Dubé
Duhamel	Dumas
Finestone	Fry
Gagliano	Gerrard
Godin	Gray (Windsor West/Ouest)
Ianno	Kirkby
Lalonde	Landry
Laurin	Lavigne (Verdun—Saint-Paul)
Leblanc (Longueuil)	Lee
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Massé	Ménard
Mercier	Paré
Patry	Pomerleau
Proud	Rideout
St-Laurent	Stewart (Northumberland)
Walker	Wells

The Acting Speaker (Mr. Kilger): I declare Motion No. 7 carried.

[*Translation*]

The next question is on Motion No. 10. An affirmative vote on Motion No. 10 obviates the need for a vote on Motion No. 11. A negative vote on Motion No. 10 requires a vote on Motion No. 11.

[*English*]

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent for this motion to be deemed to have carried on division.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Taylor: Agreed.

Mr. Bhaduria: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. Kilger): I declare Motion No. 10 carried.

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 16.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe there would be unanimous consent to apply the vote just taken as follows: Members of the Liberal Party who voted on Motion No. 1 will be recorded as having voted nay on the motion now before the House.

Mr. Duceppe: Mr. Speaker, members of the Bloc Quebecois will also vote nay.

[*English*]

Mr. Ringma: The Reform Party will vote yes on that except for any members who might wish to vote to the contrary.

Mr. Morrison: I would vote in opposition to the motion.

Mr. Taylor: New Democrats are voting yea on this motion.

Mr. Bhaduria: I will be voting against this motion.

(The House divided on the Motion No. 16, which was negatived on the following division:)

(*Division No. 335*)

YEAS

Members

Abbott	Ablonczy
Benoit	Blaikie
Breitkreuz (Yorkton—Melville)	Brown (Calgary Southeast/Sud-Est)
Chatters	Cummins
de Jong	Epp
Gouk	Grey (Beaver River)
Grubel	Hanrahan
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hoeppner	Johnston
Manning	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest/Sud-Ouest)

Mills (Red Deer)
Riis
Schmidt
Solberg
Stinson
Thompson
White (North Vancouver)—37

Ramsay
Ringma
Silye
Speaker
Taylor
White (Fraser Valley West/Ouest)

NAYS

Members

Adams
Allmand
Anderson
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Beaumier
Bélanger
Bellehumeur
Bernier (Gaspé)
Bethel
Bhaduria
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Caron
Chrétien (Frontenac)
Clancy
Collenette
Copps
Culbert
Deshaies
Dhaliwal
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Graham
Guarnieri
Guimond
Harper (Churchill)
Hickey
Hubbard
Jacob
Karygiannis
Knutson
Langlois
Lavigne (Beauharnois—Salaberry)
Lincoln
MacDonald
MacLellan (Cape/Cap–Breton—The Sydneys)
Maloney
Marleau
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
Nault
Nunziata
O'Reilly
Paradis
Peric
Phinney
Pickard (Essex—Kent)
Regan
Ringuette–Maltais
Rocheleau
Sauvageau
Serré
Sheridan
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Torsney

Alcock
Anawak
Assad
Asselin
Barnes
Bélair
Bélisle
Bellemare
Bertrand
Bevilacqua
Blondin–Andrew
Bouchard
Brien
Brushett
Calder
Catterall
Chrétien (Saint–Maurice)
Cohen
Collins
Crawford
de Savoye
DeVillers
Dingwall
Duceppe
Easter
English
Fillion
Flis
Gaffney
Gagnon (Québec)
Gauthier
Goodale
Grose
Guay
Harb
Harvard
Hopkins
Jackson
Jordan
Keyes
Kraft Sloan
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
Maclaren
Malhi
Marchand
McCormick
McKinnon
McTeague
Mifflin
Mills (Broadview—Greenwood)
Morrison
Murray
Nunez
O'Brien
Pagtakhan
Payne
Peters
Picard (Drummond)
Reed
Richardson
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Steckle
Stewart (Northumberland)
Terrana
Tobin
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Volpe
Whelan
Zed—153

Valeri
Venne
Wells
Wood

PAIRED MEMBERS

Bachand
Bergeron
Bonin
Campbell
Canuel
Chan
Dalphond–Guiral
Debien
Duhamel
Finestone
Gagliano
Godin
Ianno
Lalonde
Laurin
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Massé
Mercier
Patry
Proud
St–Laurent
Walker

Bakopanos
Bernier (Mégantic—Compton—Stanstead)
Caccia
Cannis
Cauchon
Crête
Daviault
Dubé
Dumas
Fry
Gerrard
Gray (Windsor West/Ouest)
Kirkby
Landry
Lavigne (Verdun—Saint–Paul)
Lee
Leroux (Richmond—Wolfe)
Loubier
Ménard
Paré
Pomerleau
Rideout
Stewart (Northumberland)
Wells

• (1835)

The Acting Speaker (Mr. Kilger): I declare Motion No. 16 negatived.

Hon. Michel Dupuy (for the Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.) moved that the bill, as amended, be concurred in and read the second time.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe there would be unanimous consent for applying the vote at the report stage on Motion No. 1 in reverse to the motion now before the House.

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Yes, we can accept a reversal on that, Mr. Speaker, except for anyone who might wish to do the contrary. They will stand.

Mr. Taylor: Agreed.

Mr. Bhaduria: Agreed.

[*Editor's Note: See list under Division No. 334.*]

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill concurred in and read the second time.)

* * *

EXCISE TAX ACT

The House resumed from September 21 consideration of the motion that Bill C–90, an act to amend the Excise Tax Act and the Excise Act, be read the second time and referred to a committee.

Mr. Boudria: Mr. Speaker, if you were to seek it, the House would give its consent that members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members being recorded as voting yea.

[*Translation*]

Mr. Duceppe: Mr. Speaker, members of the Bloc Quebecois will vote against this motion.

[*English*]

Mr. Ringma: Mr. Speaker, Reform Party members, as I read them, will vote no to that measure. If there are exceptions they will stand.

Mr. Taylor: Mr. Speaker, the New Democrats will vote nay in opposition to this motion.

Mr. Bhaduria: Mr. Speaker, I will be voting yes for the motion.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 336*)

YEAS

Members

Adams
Allmand
Anderson
Assadourian
Barnes
Bélair
Bellemare
Bethel
Bhaduria
Bodnar
Brown (Oakville—Milton)
Bryden
Catterall
Clancy
Collenette
Copps
Culbert
Dhaliwal
Dromisky
Easter
English
Finlay
Fontana
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Graham
Guarnieri
Harper (Churchill)
Hickey
Hubbard
Jordan
Keyes
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
Maclaren
Malhi
Marleau
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Milliken
Minna
Murray
Nunziata
O'Reilly
Paradis
Peric
Phinney
Reed
Richardson
Robichaud
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons
Steckle
Stewart (Northumberland)
Terrana
Tobin
Ur
Vanclief
Wells
Wood
Alcock
Anawak
Assad
Axworthy (Winnipeg South Centre/Sud-Centre)
Beaumier
Bélanger
Bertrand
Bevilacqua
Blondin-Andrew
Boudria
Brushett
Calder
Chrétien (Saint-Maurice)
Cohen
Collins
Crawford
DeVillers
Dingwall
Dupuy
Eggleton
Fewchuk
Flis
Gaffney
Gallaway
Goodale
Grose
Harb
Harvard
Hopkins
Jackson
Karygiannis
Knutson
Lastewka
Lincoln
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
McCormick
McKinnon
McTeague
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
O'Brien
Pagtakhan
Payne
Peters
Pickard (Essex—Kent)
Regan
Ringuette-Maltais
Rock
Serré
Sheridan
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Torsney
Valeri
Volpe
Whelan
Zed—126

NAYS

Members

Abbott
Asselin
Bellehumeur
Bernier (Gaspé)
Bouchard
Brien
Caron
Chrétien (Frontenac)
de Jong
Deshaies
Epp
Gagnon (Québec)
Gouk
Grubel
Guimond
Harper (Calgary West/Ouest)
Hart
Hoeppner
Johnston
Lavigne (Beauharnois—Salaberry)
Marchand
Mayfield
Mills (Red Deer)
Nunez
Ramsay
Ringma
Sauvageau
Silye
Speaker
Taylor
Ablonczy
Bélisle
Benoit
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Chatters
Cummins
de Savoye
Duceppe
Fillion
Gauthier
Grey (Beaver River)
Guay
Hanrahan
Harper (Simcoe Centre)
Hayes
Jacob
Langlois
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
Morrison
Picard (Drummond)
Riis
Rocheleau
Schmidt
Solberg
Stinson
Thompson

Tremblay (Rimouski—Témiscouata)	Venne
White (Fraser Valley West/Ouest)	White (North Vancouver)—64

PAIRED MEMBERS

Bachand	Bakopanos
Bergeron	Bernier (Mégantic—Compton—Stanstead)
Bonin	Caccia
Campbell	Cannis
Canuel	Cauchon
Chan	Crête
Dalphond-Guiral	Daviault
Debien	Dubé
Duhamel	Dumas
Finestone	Fry
Gagliano	Gerrard
Godin	Gray (Windsor West/Ouest)
Ianno	Kirkby
Lalonde	Landry
Laurin	Lavigne (Verdun—Saint-Paul)
Leblanc (Longueuil)	Lee
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Massé	Ménard
Mercier	Paré
Patry	Pomerleau
Proud	Rideout
St-Laurent	Stewart (Northumberland)
Walker	Wells

• (1840)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

* * *

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from September 22 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the amendment of the hon. member for Calgary North.

Mr. Boudria: Mr. Speaker, on the amendment to second reading proposed by the hon. member for Calgary North, if you were to seek unanimous consent, the House would be willing to apply the vote taken on report stage Motion No. 1 of Bill C–45, the first vote we took today, to the motion now before the House.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Taylor: Agreed.

Mr. Bhaduria: Agreed.

The Acting Speaker (Mr. Kilger): I declare the amendment lost.

[*Editor's Note: See list under Division No. 333.*]

* * *

EXCISE TAX ACT

The House resumed consideration of the motion that Bill C–103, an act to amend the Excise Tax Act and the Income Tax Act, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of deferred division at second reading stage of Bill C–103.

Mr. Boudria: Mr. Speaker, I think you would find that the House would be willing to apply the vote just taken in reverse to the motion now before the House.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

Mr. Taylor: Agreed.

Mr. Bhaduria: Agreed.

The Acting Speaker (Mr. Kilger): I declare the motion carried.

[*Editor's Note: See list under Division No. 334.*]

(Bill read the second time and referred to a committee.)

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

• (1845)

BUSINESS GRANTS

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, on April 26, 1994 I put a question on the Order Paper which the government still has not answered.

I asked as follows:

> With respect to the $3.3 billion in 1994–95 and the $3.1 billion in 1995–96 the government will spend for grants to business, (a) what agency dispenses these grants, (b) what criteria does the government apply to determine which businesses receive grants and (c) how do these criteria differ from those used by the previous government?

I did not ask the government to provide me with a list of grants to businesses. Instead I merely asked the government to explain how it decides who will receive these generous payouts of taxpayers' dollars, who does the paying out and how the

Liberals' actions differ from practices followed by their predecessors.

These are questions which Canadian taxpayers have every right to expect their government to tell them. What possible reason could there be for the government to take 17 months and still not supply an answer? Could it be that the government does not know what standards it applies in deciding what businesses (a) or (b) should be given a grant? Somehow that does not really seem likely. However if the government did know what standard it uses, why would the government not simply have answered my question?

The conclusion most taxpayers will probably draw from the government's refusal to reply is that the standards it uses dare not be exposed to the light of day, that it would expect more trouble from supplying the answer than it could get from simply not answering.

This conclusion will probably lead many people to assume that Liberal Party patronage is one very big criterion for receiving money from the current Liberal government, just as it has been so often charged that Conservative Party patronage was one very big criterion for receiving money under the Mulroney Tories. Liberal–Tory, same old story.

I raise this question after listening to many discussions in the Standing Committee on Industry. Since that time I have moved over to the natural resource committee, serving as the the Reform forestry critic. I attended meetings with representatives of the forest industry all across Canada.

A question I often asked these members of the forest industry was: What can we do to get the federal government out of the natural resource area which according to the Constitution should fall under provincial jurisdiction? One of the answers I often heard was to put an end to federal grants to the forest industry. The forest industry may apply for those grants but they apply only because their competitors do so. If one business in the field gets a federal grant and another business in the same field does not, it gives the first one an unfair competitive advantage over the other.

Nobody is more competitive than a logger. I feel certain that the same is true of Canadian business and industry across this great country. Individual business owners want to be free of government. They want to be free of the red tape required to complete the application forms. However, if their competitor is applying for and likely getting a grant, then businesses needing to compete must do the same.

In conclusion, I want to emphasize that grants to businesses and industry must end for several reasons. They are a needless burden on the taxpayers at a time when government is struggling to find money for essential services like health care and education. They must end because they are like the apple in the Garden of Eden as a temptation to politicians to favour their old friends and their party supporters in a system of pork barrelling and patronage which is a disgrace to honour and integrity in government.

Grants to businesses and industry must end because they subsidize those less able and least trustworthy to succeed at the expense of those most able and most worthy to succeed. In short, grants to businesses and industry are readily used to reward failure and to penalize success. Canadian businesses and industry deserve better.

As I conclude my remarks I ask hon. members: When will I get an answer to the question I raised 17 months ago?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to have the opportunity to respond to the hon. member. As he knows, having transferred his question for debate, he now will not get an answer except what I tell him tonight and I do not have an answer for him tonight. He can put his question on the Order Paper again, perhaps in a slightly modified form, and maybe he will get an answer in due course.

I want to recall what happened. The question was put on the Order Paper on April 26, 1994. Officials in the Privy Council Office dispatched the usual inquiries to the appropriate government departments and were advised that four departments or four agencies of the government would be able to provide a satisfactory response to the question.

When the response was received in July, after the House had adjourned for the summer, I had an opportunity to review the response. I take some personal responsibility for this. I concluded that the response was unsatisfactory because only four agencies had been canvassed when in fact the question was not specific as to which agencies might have dispensed the money. In fact it was a question directed to all government departments. Accordingly I asked that all government departments be contacted to ensure that a full answer was given to the hon. member, that the answer be accurate in all respects and to provide an answer in respect of all government grants to businesses.

My request resulted in the answer being sent back to the appropriate government department. The government department in question has not produced an answer to date, despite many memorandums, despite many requests.

I can only say that this particular department is one which in my experience, and that of other members of the House, is slow in responding to this kind of request from the House and from its committees. I am sorry that is the case, but there is nothing further I am able to do at this time except to assure the hon. member that if he puts a question on the Order Paper along similar lines I will personally speak to the minister of the department and urge that speed follow in the preparation of the answer to his question.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, a motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24.

(The House adjourned at 6.51 p.m.)

HOUSE OF COMMONS

Tuesday, September 26, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

NATIONAL DEFENCE

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I have the honour this morning, pursuant to Standing Order 32(2), to table in both official languages a report entitled *Towards a Rapid Reaction Capability for the United Nations.*

[*English*]

This is a document entitled "Towards a Rapid Reaction Capability for the United Nations".

* * *

CRIMINAL CODE

Mr. Myron Thompson (Wild Rose, Ref.) moved for leave to introduce Bill C–349, an act to amend the Criminal Code (peeping Toms).

He said: Mr. Speaker, I appreciate the opportunity to present this private member's bill, seconded by my colleague from Fraser Valley East.

It is very short and very simple. It has been brought to my attention by police officers and other law enforcement individuals that in the Criminal Code peeping Toms apply only at night. It is my understanding this has caused a lot of concern because it seems like the criminals are getting braver in this day and age and a lot of this is happening during daylight hours. This amendment would enable the police to lay charges against those individuals doing this activity during the day, an activity for which they are normally arrested at night.

(Motions deemed adopted, bill read the first time and printed.)

NATIONAL HOUSING ACT

Mr. Myron Thompson (Wild Rose, Ref.) moved for leave to introduce Bill C–350, an act to amend the National Housing Act.

He said: Mr. Speaker, I received a phone call from a constituent asking why he and his family were forced from their rented house when their rent payments were all paid on time and the full amount was remitted.

When I investigated his complaint it was discovered that no warning was given to the constituent that the owner of the building was facing foreclosure and that current legislation requires vacant possession of the building before the lending institution can be paid.

This bill will amend the National Housing Act to allow a lending institution full redress without having to evict current tenants and the tenants will receive notice from the lending institution that it is proceeding with foreclosure on the building owner.

I trust the House will support this measure. It may allow Canadians the opportunity to remain in their homes and at least give them ample time to relocate.

(Motions deemed adopted, bill read the first time and printed.)

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.) Mr. Speaker, I move:

That the following members be added to the list of associate members of the Standing Committee on Procedure and House Affairs: John Cummins, Dick Harris, Elsie Wayne, Hugh Hanrahan and Jane Stewart.

(Motion agreed to.)

* * *

• (1010)

PETITIONS

JUSTICE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I am presenting petitions on behalf of 819 Albertans from across the province who urge the government to make our streets safer

for law–abiding citizens and the families of victims of convicted murderers.

They pray to allow reclassification of offenders as dangerous after sentencing. They pray also to allow the indefinite detention of dangerous offenders after warrant expiry and they pray to allow violent offenders to be ineligible for parole until the full sentence has been served. I concur with the petitioners.

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I present a petition which has been circulating all across Canada.

It has been signed by a number of Canadians from Alberta and British Columbia. The petitioners draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, it is my honour this morning to present petitions pursuant to Standing Order 36 on behalf of over 1,000 petitioners in their fight to get recognition in the courts for grandparents to have access to their grandchildren.

OFFICIAL OPPOSITION

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, on behalf of my constituents from Okanagan—Similkameen—Merritt I present a petition calling to the attention of the House that the Bloc Quebecois has publicly dedicated itself to the disloyal objective of the secession of the province of Quebec from the Canadian federation.

Therefore the petitioners call on Parliament to preserve Canadian unity and parliamentary tradition and to protect the rights of all people of Canada by prevailing on the Speaker of the House of Commons to recognize the Reform Party as the official opposition during the remainder of the 35th Parliament.

HUMAN RIGHTS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is a privilege today to introduce more petitions along the same lines as many I received in the last session.

The first two draw to the attention of the House that the inclusion of sexual orientation in the Canadian Human Rights Act will provide certain groups with special status, rights and privileges. They call on Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation. I have two separate petitions on that.

ASSISTED SUICIDE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, with an ongoing petition campaign, the undersigned citizens of Canada draw to the attention of the House that the majority of Canadians are law–abiding citizens, they respect the sanctity of life, they believe that physicians in Canada should be working to save lives, not to end them.

Therefore they ask that Parliament ensure present provisions of the Criminal Code prohibiting assisted suicide should be enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

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QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from September 25 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee.

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, it gives me great pleasure to rise today to speak on Bill C–94, the manganese based fuel act.

I will explain the bill and why we are taking action against MMT. MMT is a manganese based fuel additive used to increase the octane rating of gasoline. It has been used in Canada since 1977 as a replacement for lead in unleaded gasoline.

• (1015)

Lead was phased out of virtually all Canadian gasolines by 1990. Who uses MMT? Just about every Canadian motorist does, and that is because Canadian refiners use it. The exact amount of MMT used may vary, depending on the batch of gasoline. However, premium grade gasoline generally contains a higher dosage than regular grade gasoline. Canada is the only country that uses it. The United States, for example, banned it from unleaded gasoline in 1978.

The automobile industry is convinced that gasoline containing MMT adversely impacts the operation of sophisticated onboard diagnostic systems. These OBD systems are important because they monitor the performance of emission control components in vehicles. The auto industry has made the decision that it will not accept the risk of increased warranty repair costs caused by damage related to MMT. Some companies have even indicated that they will disconnect the OBD systems in whole or in part and may reduce Canadian vehicle warranty coverage starting with the 1996 model year if MMT continues to be used in Canadian gasoline. That means that the cost of maintaining these systems will be passed on directly to Canadian consumers.

This is where the federal government comes in. Last October the Minister of the Environment urged both industries to voluntarily resolve the issue of MMT by the end of 1994 or the government would take action. This deadline was subsequently extended until February of this year to review automobile and petroleum industry proposals. The matter was not resolved, so the federal government has had to step in. This has resulted in Bill C–94.

The MMT issue is no longer an industry dispute. Its outcome can affect the vehicle emission program we are putting into place and in the long term could negatively impact the automobile sector.

Successful solution of the MMT issue will ensure that environmental benefits are realized through the use of the most advanced emission control technologies. It will ensure that Canadians are offered the same warranty coverage as in the United States. It will also ensure that the Canadian motor vehicle emissions control programs do not diverge from those of the United States. This means that Canadians will continue to benefit from the cost and technological advantages of a North American harmonized fleet. It also means good news for Canadian jobs and the Canadian automotive sector. That of course is because diverging emissions standards and different anti–pollution equipment on Canadian cars will negatively affect the marketplace and decrease the competitiveness of the automotive sector.

We could also be faced with a situation where cars built in Canada to go south of the border could have more advanced equipment than those sold in Canada. That is clearly not acceptable.

We should be clear about the economic impact of removing MMT. It will be small for the entire petroleum industry. Estimates for the cost of MMT removal provided by the industry range from $50 million to $83 million per year. That means an additional increase of 0.1 to 0.24 cents per litre at the gas pump.

I would now like to take a few moments to explain some of the key highlights of the bill.

Bill C–94 will prohibit the import or interprovincial trade for a commercial purpose of MMT or anything containing MMT. It will also give the minister the power to authorize exceptions for MMT that will not be used in unleaded gasoline subject to monitoring requirements. Coverage of the act can be expanded by order in council to cover other manganese based substances.

The act is binding on all persons and entities, including the provincial and federal governments. The enforcement tools are similar to those that are in the Canadian Environmental Protection Act, and the penalties are strict.

• (1020)

For the unauthorized import or interprovincial trade of MMT, the maximum penalty on summary conviction is a $300,000 fine and/or six months in jail. On indictment, the maximum fine is $1 million and/or three years in jail. For knowingly providing false or misleading information on the importation or interprovincial trade of MMT, the penalties are the same, but with a maximum of five years in jail instead of three on indictment. On conviction, as in CEPA, the court can also order an additional fine equal to the monetary benefits resulting from the offence, prohibit conduct that may lead to a repeat offence, and direct the offender to notify third parties about the conviction.

I believe this gives the members of the House some idea of what the government is proposing under Bill C–94.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, as members of the House will recall, during the June session we heard the government's reasoning behind the proposed ban on MMT. According to the hon. member for Davenport, the government is proposing Bill C–94 to ban the interprovincial trade of the fuel additive MMT in order to protect human health, protect car warranties, and to take advantage of technological change.

This may sound on the surface to be reasonable. However, a closer examination of the stated reasons is certainly merited. It is my objective today to seek clarification on the purpose of Bill C–94, a trade sanction bill introduced by the Minister of the

Environment, allegedly to protect the warranties offered customers purchasing new cars.

First, looking at the health issue, allow me to refer to the Canada health study published in late 1994. I quote: "Airborne manganese resulting from the combustion of MMT in gasoline powered vehicles is not entering the Canadian environment in quantities or under conditions that may constitute a health risk. All the analyses indicate that the combustion products of MMT in gasoline do not represent an added health risk for the Canadian population."

During our last discussions on this bill, the government produced facts from the U.S. EPA that indicated the EPA suggests tests be conducted on the potential health effects of MMT. The interesting thing is that the government appears to be predicting that the results of this testing will support its position to ban MMT, certainly a very premature action on its part. It seems ironic that the government chooses to discount scientific findings of the EPA testing programs on the impact of MMT on vehicle emission systems, the results of which clearly indicate that MMT has no adverse effect on the emission systems of cars, while speculating that the studies to be conducted on health will support its position.

One may also ask why the government wants to see EPA testing results on health impacts of MMT when its own agency, Health Canada, has clearly demonstrated that Canadians experience no adverse effects from the level of airborne manganese that results from tailpipe emissions. It appears the government is prepared to discount scientific findings in favour of speculation that the results of the EPA's proposed testing on health effects of MMT will prove to be negative.

The second reason the government offers for a ban on MMT is to protect car warranties. For those members unfamiliar with the motivation for this legislation, let me remind them of the carmakers' claim that MMT in gasoline causes problems for onboard diagnostic systems in new model cars made in the U.S. According to the industry minister, the federal government has said it wishes to ban MMT so that "Canadian consumers will be protected by ensuring that they are afforded the same warranty coverage as automobile owners in the United States". Another reason is that the Motor Vehicle Manufacturers Association states that it has research that indicates MMT causes failure of onboard diagnostic systems. The MVMA has elected not to make that research public, however, after a recent review of scientific evidence collected as part of the U.S. Environmental Protection Agency evaluation of the auto industry's claims.

• (1025)

The U.S. court of appeals stated in its judgment of April 14, 1995, that MMT would not cause or contribute to the failure of any emission control system or device. According to the U.S. EPA, and I quote: "MMT does not cause or contribute to a failure of any emission control system or device". The decision goes further to state: "The administrators' analysis of data submitted by Ethyl was careful and searching. The American Automobile Manufacturers Association did not come close to proving that the administration's analysis of data was arbitrary or capricious."

We should also note that automobile makers have experienced significant technical difficulties complying with the onboard diagnostic requirements in the United States as well as in Canada, despite the fact that MMT is not currently used as an octane enhancer in American gasoline. In fact, difficulties with certification of onboard diagnostic systems in the United States have prompted the U.S. EPA to state in the *Federal Register* that automobile manufacturers have expressed and demonstrated difficulty in complying with every aspect of onboard diagnostic requirements and difficulty appears likely to continue in the 1996 and 1997 model years.

Despite these facts, the Canadian government appears not to have noted that vehicle manufacturers have failed to achieve onboard diagnostic certification in the U.S. for most new model cars and then chooses to conclude that those same problems in Canada are somehow attributed to MMT.

The government's third reason for the proposed ban of MMT is a desire to take advantage of technological change and to enable Canadian consumers to reap the benefits offered by onboard diagnostic systems, which the hon. member for Davenport describes as contributing to pollution prevention. Unfortunately the member for Davenport does not appear to realize that onboard diagnostic systems merely notify the driver when there is a pollution emission problem. They do not control or reduce emissions. The onboard diagnostic is in fact a light on the dashboard of the car, which when illuminated suggests difficulty has been sensed.

The problem the automakers are experiencing with the onboard diagnostic system, both here and in the United States, is that the OBD has been malfunctioning and lighting up when there is no emission problem. This is causing vehicle owners to take their cars in for service when none is required. Since most of these visits are covered under warranty, the result is that the automakers must pay for the service visit.

The government's confusion on the role of MMT is further exemplified by the notion that removing MMT from gasoline will contribute to pollution reduction. The member for Davenport tells us that scientists in his community have informed him that MMT in gasoline is contributing to greater pollution in the form of smog, carbon monoxide, and hydrocarbons. Again, the facts prove him wrong. All scientific studies on nitrous oxide reductions attributable to MMT in gasoline conclude the same thing: MMT in gasoline reduces emissions of nitrous oxide, a leading contributor to the formation of urban smog. In addition, the use of MMT in the refining process reduces emissions of

carbon monoxide and of hydrocarbons, not to mention emissions of benzene, which is a no–tolerance carcinogen.

We should also note that MMT is compatible for use with alternative fuels. The use of MMT enhances emission benefits of oxygenates such as ethanol and MTBE. For example, EPA test results indicate that MMT with a 10 per cent ethanol blend lowers nitrous oxide emissions by slightly more than 30 per cent and lowers ozone potential by 29 per cent. When MMT was added to an 11 per cent MTBE blend, nitrous oxide emissions were reduced by 25 per cent and ozone potential was reduced by 18 per cent. Not only does MMT contribute significantly to lower Canadian nitrous oxide emissions, but use of MMT enhances emission benefits of oxygenates.

As part of this discussion, we must consider that nitrous oxide increases resulting from the elimination of MMT from Canadian gasoline are projected to add 41,000 tonnes per year of nitrous oxide to the Canadian environment. That is a 16 per cent increase over current levels.

• (1030)

In conclusion, the government's rationale for this bill is inconsistent. It blatantly disagrees with scientific findings regarding MMT effects on health, vehicle pollution control equipment and the environment. It therefore seems to be in the best interests of all constituents that we move to disregard the proposed bill. I move:

> That the motion be amended by deleting all the words after the word "that" and substituting the following therefor:
>
> Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be not now read a second time but that it be read a second time this day six months hence.

The Deputy Speaker: The motion of the hon. member for Kootenay West—Revelstoke will be considered as to its acceptability and the Chair will pronounce on that matter after the next speaker.

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I am pleased to have the privilege to speak in this Chamber on Bill C–94, the manganese based fuel additives act. Before speaking about the specific elements of Bill C–94 I would like to say a few words about some issues which affect the environment and concern me, on which the government has acted and more important what the government is intending to do.

[*Translation*]

Allow me to point out a few facts underlying my concerns. World population is increasing at the rate of about 90 million people every year. In the past 150 years, it has climbed from 1 billion to 6 billion. According to projections, it will reach between 10 billion to 14 billion in the years 2000 to 2050.

Between 1960 and 1990, economic activity grew at a compound annual rate of 3.8 per cent. The growth rate in any given year exceeded in absolute terms the total economic activity in Europe in

[*English*]

Over the past 30 years the manufacturing activities around the globe have increased by 500 per cent, electrical production by 400 per cent and the production of automobiles by 300 per cent. Clearly at the heart of our environmental concerns lies a historic trend of unprecedented expansion and acceleration of human activity. These now threaten vital components of the earth's ecology. The major consequences include the fact that forests are vanishing at the rate of 17 million hectares per year; six million hectares of productive dry land are turning into desert every year; 140 plant and animal species become extinct every day; and air and water quality on a global scale is declining at an equally alarming rate.

The problem of inadequate distribution systems or ecometric considerations such as the need to maintain price of excess commodities exacerbates our environmental problems in a global context.

The bottom line of this is that the combined impacts of pollution and these other pressures I have mentioned cause environmental capacity limits to be exceeded locally, regionally and globally. It is now clear that without some major shift in policies and practices a continuation of these trends is simply ecologically unsustainable.

That is why in the red book the Prime Minister supported the development of renewable energy and initiatives which limit pollution.

[*Translation*]

To this end, the government has launched a variety of programs, including the national bio–ethanol program. Announced last December, this program will support the development of ethanol production through a refundable line of credit to qualified candidates who want to establish bio–ethanol fuel production plants in Canada. Managed by the Farm Credit Corporation, the program will guarantee up to $70 million in loans between 1999 and 2005.

• (1035)

[*English*]

In other words the government will only assist renewable energy companies which first invest their own capital and their own strength. There will be no subsidies, no megaprojects. The government will only provide assistance once the private sector has invested its own capital for a period of five years. This is a

fiscally responsible way to help turn wood chips, straw, grain and other biomass derived waste into energy which can be used to fuel our vehicles.

Properly blended ethanol gasoline can reduce carbon monoxide emissions which degrade urban air quality. It can reduce carbon dioxide emissions which are a primary source of greenhouse gases. It can reduce benzene emissions, a substance declared toxic under CEPA, into the atmosphere.

The program is targeted to encourage ethanol production in every region of the country. This is a sound example of the concept of sustainable development. We can deal with an environmental problem and create jobs at the same time.

Our standards for the exhaust coming out of the tailpipes of our cars and trucks are among the most stringent in the world. These standards set strict limits for nitrogen oxides which contribute to acid rain and are key components in the formation of smog. The government has also set limits on the amounts of hydrocarbons, another major contributor to smog, that cars can emit as well as limits on carbon monoxide.

Although pollution from cars and trucks has diminished—they do pollute much less than in the past—the number of vehicles has increased significantly. As a consequence they represent an important source of air pollution in Canada: 60 per cent of carbon monoxide emissions; 35 per cent of other oxide emissions; 25 per cent of hydrocarbon emissions; and 20 per cent of carbon dioxide emissions. These are all attributable to automobile tailpipes.

As a result the federal government is following a strategy for the control of motor vehicle emissions. It includes the adoption of more severe depollution standards for vehicles and requires advanced emission control technologies such as improved integrated diagnostic systems.

There remains an obstacle to the introduction in Canada of the next generation of emission control technologies which is the continued presence of MMT, an octane enhancer that is presently used in unleaded gasoline. Bill C–94 very clearly calls for a ban on the import and interprovincial trade of MMT which is not manufactured in Canada but imported from the United States. In Canada the use of MMT as an octane enhancer is allowed in unleaded gasoline up to a maximum of 18 milligrams of manganese per litre. In the United States the use of MMT in unleaded gasoline has not been allowed since 1978.

The automobile industry is convinced that MMT adversely affects the operation of these advanced emissions control technologies. All the domestic manufacturers and automobile importers agree that MMT adversely affects their sophisticated onboard diagnostic systems.

It is clear that reducing automobile pollution demands combined action on two fronts: on the one hand improving technology to control automobile emissions such as integrated diagnostic systems and on the other hand improvements in the composition and the properties of the fuels which motors use.

This bill is about the health of the environment. It is about the health of Canadians. It is also about the sound management of government. Canadians, whether they live in Quebec, British Columbia, the Yukon or New Brunswick deserve a federal government that projects their common interests, a government that can rapidly act for the benefit of all.

To echo what the Deputy Prime Minister said, we can wait no longer; we must act now. Any further delay will pose a serious threat to federal emissions control programs.

• (1040)

In conclusion, this bill works for consumers, it works for business and it works for the environment. For those reasons I ask all colleagues to join me in supporting it.

The Deputy Speaker: Colleagues, the amendment proposed is receivable. The debate is now on the amendment.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I rise to speak in support of the amendment to hoist the bill for a six–month period simply because there is pending in the U.S. a ruling by the appeal court whether or not to allow the use of MMT in the United States after an 18–year absence.

A member opposite this morning and the Minister of Industry some time ago spoke about the urgency of uniformity in gasoline blends in the North American market. The member this morning spoke of how unacceptable it would be to have one standard in the U.S. and a different standard in Canada for automobile emissions, gasolines, warranties and so on. I agree with that.

In the interests of achieving uniformity in the North American market we should wait until the ruling comes down in the United States. Industry analysts tell me that the likelihood of a positive ruling which would allow MMT to return to the United States is in the neighbourhood of 70 per cent. It seems unacceptable to me that Canada would move to ban MMT two months before it is again accepted for use in the United States.

We have heard a lot of rhetoric on both sides of the argument. The previous speaker said that the bill is about the environment and air quality in Canada. He also said that the bill is about the health of Canadians. That is rubbish. The bill is about whether MMT affects the onboard diagnostic systems in new vehicles in Canada and the United States. The claims that it affects the environment and the health of Canadians have been proven not

to be true without question both here and in the U.S. Those issues are simply red herrings.

The matter of the onboard diagnostic computer systems is another issue. It is a fact that in the U.S. onboard diagnostic systems have been failing and are unreliable. The technology has not been developed to the point where it is reliable. In fact the EPA in the United States had to lower the standards for certification of automobile diagnostic systems simply because the technology could not meet the required standards. That is the problem. It is not MMT.

In the United States the issue has been studied to death and it has been proven that MMT is not the villain. The technology simply is not developed to the point where it can be reliable. We have to focus on the issue rather than going off on tangents on the side.

Ethanol is another example. We hear time and time again that it is a product which is available to replace MMT and that it will produce cleaner air. Again it is hogwash. People from the refineries tell me that ethanol is not a substitute for MMT. It will not replace MMT when MMT is banned. Gasolines will simply be further refined to reach the octane rating that can now be obtained with MMT. Further refining will cause higher pollution and higher costs both for the consumer and for the refining industry.

• (1045)

Let us keep the debate where it belongs. What is taking place here, as far as I can see at least, is a payback for those who supported the Liberal Party's return to power after nine years in purgatory.

The facts that have been brought out in the debate on the MMT issue simply do not support the action the government is taking. The only reliable reason I can see for the government to push this matter, in spite of all the evidence before it, is simply that it is responding to the masters who supported that political party and its subsequent election to the Government of Canada.

Let us keep it in perspective but let us also, for once in the House, make a decision based on reasonable evidence and on what is good for the Canadian taxpayer and the Canadian consumer. Let us look at the facts, judge the facts and make a decision based on them instead of make a decision based on what is politically good.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, it is a pleasure for me to stand to speak at second reading of Bill C–94, the Manganese based Fuel Additives Act, the legislation designed to take MMT out of unleaded fuels.

If the federal government is given an opportunity to protect jobs, protect the environment, protect consumers and keep Canada on the leading edge of automotive technology all at the same time, should it take that opportunity? I would say that it should. The government will seize a chance to support technology which will help us improve fuel economy and meet our climate change objectives. We will do what we can to reduce air pollution and smog.

That is why we are taking action to remove MMT from Canadian unleaded gasoline. That is why I am proud to speak on the legislation today.

[*Translation*]

This bill will prohibit interprovincial trade in and importation of MMT, a manganese based fuel additive made in the U.S. The proposed bill will come into effect 60 days after receiving royal assent. Canada is the only country in the world where MMT is used in unleaded gas. The U.S. banned it from their unleaded fuels in 1978. Bulgaria and Argentina are the only two other countries still showing some interest in its use.

Why is MMT not used by more countries? Because it hinders the operation of anti–pollution devices found in today's cars and trucks.

[*English*]

Environment Canada has received and reviewed study after study after study of the effects of MMT on onboard automobile equipment. I agree with the Minister of the Environment and with Ford, Chrysler, General Motors, Toyota, Honda, Subaru, Nissan, Mazda, Mercedes, BMW, Volkswagen and Volvo.

Mr. Chatters: Mr. Speaker, I rise on a point of order. I believe we are debating a Reform motion to hoist the bill until we get a ruling from the U.S. court of appeal. The member opposite seems to be debating the bill on second reading. It is our motion that is being debated here.

• (1050)

The Deputy Speaker: There is very little restriction on what one might say in reply to the question of hoisting the bill for six months. I do not believe that is a point of order.

Mr. Adams: Mr. Speaker, I understand the point of the member opposite. In fact to show that the legislation is worth while is to debate the amendment Reform members have put.

I was just saying that these various corporations support the legislation and the evidence we are putting forward. Then there is Lada, Jaguar, Land Rover and Hyundai. They all say that MMT adversely affects the sophisticated onboard diagnostic systems where the pollution control equipment of automobiles is found.

These systems are extremely important for the environment. They are responsible for monitoring the vehicle's emission controls and for alerting the driver to malfunctions. They ensure the cleaner burning of the engines of today and tomorrow. They

ensure that automobiles are properly maintained, resulting in decreased tailpipe emissions and improved fuel economy.

In short, these important onboard systems are the basis of anti–pollution control measures across the continent and of reduced fuel consumption in our vehicles. Therefore this onboard technology is very important technology. It is extremely important once it is installed that it works, that it does its job. The legislation is designed to make sure that technology works effectively.

[*Translation*]

Mr. Speaker, this government will not allow MMT to prevent the Canadian automotive industry from designing vehicles that do not pollute nearly as much. Canada's environment and Canadian consumers have the right to enjoy the best anti–pollution devices.

The federal government has been waiting since 1985 for the automotive and oil industries to address this situation on their own. Last October, it urged the two industries to resolve this issue between themselves before the end of 1994; otherwise, the government would be forced to intervene. The two industries, however, did not succeed in solving the problem.

We then pushed back the deadline to February 1995. Again, the problem was not solved. Well, we have been waiting long enough. The time has come for the government to take action.

[*English*]

If we do not act now, the federal government's vehicle emission reduction programs will be in jeopardy. We will risk missing out on major reductions in smog, carbon monoxide and hydro carbons.

If we do not act now, Canadian consumers will be prevented from taking advantage of state of the art emission reduction technologies simply because they do not have access to MMT–free gasoline.

If we do not act now, we could face the situation where automakers will be forced to turn off the onboard diagnostic systems scheduled for 1996 models because of the damage MMT causes. General Motors is already bringing models off the assembly line with some of the onboard diagnostic functions disconnected. General Motors, like the others, is no longer prepared to assume the increased warranty risks for damage caused to anti–pollution equipment. As we have said, MMT damages this delicate, expensive and very important onboard equipment.

In the end it is the Canadian motorist who will have to pay more to have his or her car maintained because of this kind of industry action. We will not let this happen. We will not allow the buck to be passed to the Canadian consumer. We will not allow anti–pollution equipment in Canada to be less effective than anti–pollution equipment in the United States.

We will not allow the competitiveness of our auto industry to be threatened. We will not allow investment and the thousands of Canadian jobs which depend on that investment to be put in jeopardy.

• (1055)

[*Translation*]

Resolving the MMT problem will have positive environmental effects through the use of the most sophisticated emission control technologies. This will also give Canadians the same guarantee as that enjoyed by U.S. car owners and ensure that Canadian vehicle emission control programs are in line with U.S. programs.

This means that Canadians will continue to enjoy the economic and technological benefits of a harmonized North American car pool. It also means that the Canadian automotive industry will remain competitive.

[*English*]

Let us be clear. The job of reducing motor vehicle pollution can no longer be addressed by just the auto industry or by just the petroleum industry or the government. Progress at reducing vehicle pollution demands action by all.

The petroleum industry needs to keep making improvements in the composition and properties of the fuels the engines burn. The auto industry needs to keep making improvements in vehicle emission control technologies such as those offered through onboard diagnostic systems.

[*Translation*]

As for the government, it must act to reduce automobile air pollution. This is what we are doing with Bill C–94. We are taking action by putting in place a global vehicle emission control strategy including the adoption of tougher standards for exhaust systems.

To meet these standards, we are relying on state of the art emission control technologies and on the types of fuel they require. We need new anti–emission technologies such as onboard diagnostic systems to help us reduce smog as well as carbon monoxide and hydrocarbon emissions. We must reduce these kinds of emissions, which have a major effect on urban air quality and contribute to the greenhouse effect.

[*English*]

Preventive action means producing goods more cleanly. It means using less energy and conserving our natural resources. It means developing and using the latest green technologies like the emission reduction technologies in today's cars and trucks.

The bill before the House is one important measure of prevention. The bill is pro–environment, pro–consumer and pro–business. Eighteen of Canada's automobile companies think that what we are doing is right. Canadians think that what

we are doing is right. MMT can no longer stand in the way of the progress we continue to make in emission controls.

Let us protect jobs. Let us protect the environment. Let us vote for the legislation.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is interesting to enter the debate about what is called a six–month hoist. The motion reads: "That this bill not be read a second time but that it be read a second time this day six months hence". The reason that our party would propose a motion like that is that we have serious questions about the suitability or the legitimacy of the government's argument for banning MMT.

There is some requirement to go through briefly some of the arguments or non–arguments on the government side about why MMT should be banned. Its first argument is that MMT is a health risk and that is why the environment minister is dealing with it. Or, should it have been the health minister? Regardless, the environment minister brought it in because of the so–called tremendous health risk.

• (1100)

When I look through the documents I see a study performed by Health Canada, not the minister's own department. It carried out the risk assessment for the combustion products of MMT in gasoline. This study showed MMT poses no health risk to Canadians. The report stated: "All analyses indicate that the combustion products of MMT in gasoline do not represent an added health risk to the Canadian population".

We are not talking about health. Health has nothing to do with this ban, which is why the health minister cannot ban it legally. The environment minister cannot ban it. All she can do is prevent the importation and interprovincial trade of MMT. If the people who make MMT wanted to set up a separate plant in each province we could continue to have MMT and there would be virtually nothing the minister could do about it. There is no scientific or medical reason MMT should not be allowed.

They say MMT is bad for the onboard diagnostic systems of 1996 automobiles. It is interesting the minister has not commissioned a study to prove that. The studies she quotes at length are by different automobile manufacturers. Interesting enough, when she was speaking the other day she quoted at length study after study that claim MMT is harmful to onboard diagnostics.

We asked her to table those reports in the House. Many of us would be interested to see how those tests were conducted, whether they were done scientifically and objectively, whether they started off with a premise and tried to prove it or what the case was. The environment minister would not table one of those reports in the House.

Time and again members of the government side say all these tests prove the case for MMT being bad for onboard diagnostics but they will not table any of the proof. They are corporate secrets and the government cannot do it. I guess they would be corporate secrets to people who are part of the automobile association. Naturally they are out to prove their case and naturally they do not want that information in the public domain. At least the government has yet to table that information for us.

The other report we have access to is from the Environmental Protection Agency in the United States, hardly a lapdog of any industry. It decided from its own studies that MMT does not harm onboard diagnostic systems. An independent study indicates there appears to be no harm done to the computers. That is the only one we have access to because the minister will not table anything else.

To summarize, there is no health risk and there is no proof, at least none tabled, that the onboard diagnostics are harmed. The first two reasons are debunked.

The third thing the government is prone to talk about is that it is necessary in order to improve the environment. I heard more nonsense in the last debate on this. As if it is restating the obvious, "I love the environment. I love clean air. Clean water is great. Green space is lovely. Biodiversity is good. Apples pie is wonderful and motherhood is okay". Where do we stop? Those are all obvious statements.

Removing MMT from gasoline will increase noxious emissions from automobiles. That is one of the reasons MMT is in unleaded fuel now. Removing it will have the effect of increasing the auto emissions that create ground level ozone by up to 20 per cent, which is not insignificant. As far as using ethanol as a substitute for MMT, if it can be produced and sold without subsidy as Mohawk already does, that is good. However, if we cannot prove scientifically what is wrong with MMT then the decision to ban it is wrong.

• (1105)

The other day I mentioned another title for the Minister of the Environment should perhaps be the minister of gas with the gas fumes and the increase in those fumes because of the banning of MMT.

I read an article entitled: "Sheila Copps: Minister of Smog" in the *Globe and Mail*, not exactly a fly by night outfit. The author, Terence Corcoran, goes through the argument about what is happening. He asks why the minister is pushing this now. Why can she not wait the six months that we have asked which would give us time to do either an independent study by the National Research Council, more studies and rulings by the United States for this common market in gasoline and more time

to study it in committee if required? A six–month hoist is not the end of the world.

The author states: "The sole purpose of the legislation, which is being forced through the Liberal legislative sausage machine, is to remove a gasoline additive". He wonders why when the main benefit will be to increase ground level ozone by up to 20 per cent. Why would the minister do this?

This article says what I have already said, that there is no scientific independent study that shows why. There is no health risk. Why would they do that? It further states: "Enter the auto giants. For reasons of their own, they have mounted a campaign against MMT because they cannot meet the emissions control standards set out for the 1996 model year".

Mr. Gouk: They cannot make it in the United States either.

Mr. Strahl: My hon. colleague mentions they cannot make it in the United States where MMT is already banned. However, still they enter into the fray and say MMT must be banned.

The article continues: "Not much else is happening within the environment department apart from downsizing, leaving the MMT ban as the high point of Ms. Copps' reign as minister". This is it. We are seeing the high point of the environmental agenda for 1995. This is as good as it gets. We cannot do the *Irving Whale*. We cannot do anything of substance so we will get on the MMT bandwagon.

The conclusion of the article states MMT might be approved in the United States later this year. My hon. colleague from Athabasca mentioned it is now 70 per cent likely that this will occur. The article reads: "Ms. Copps' ban could become a major embarrassment. It will be even more of an embarrassment if she goes down in history as the environment minister who introduced legislation that increased ground level ozone layers".

What is happening here? What is the motivation here? I walked to work this morning with a member from the government side. I mentioned that in opposition certain members seem to rise to a level of rhetorical flights of fancy, kind of a high octane, wild spree. However when they get on the government side they become a tremendous disappointment. They do not seem to have a handle on their portfolio. They do not seem to take initiatives. They do not seem to have the gumption to step forward and be bold in their initiatives. Near as I can tell that is what has happened.

We have had nothing of substance from the environment minister. The few things she has ventured into she has blundered into rather than gone through them on a scientific basis. She seems to be intent on somehow raising her profile, which has been pitifully low. If we waited six months our arguments would be proved out. If not, she could reintroduce it at that time.

I certainly concur with this motion and ask that the government wait six months so that we can have a proper scientific study.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, I thank my colleague from Kootenay West—Revelstoke for moving the motion to suspend this legislation for six months.

It would be a rather smart move on the government's part to put this bill on the side and allow an independent tester to see if MMT is really hazardous to these onboard diagnostic systems in 1996 automobiles. So far there is no conclusive evidence or data that MMT ruins the idiot lights on the dashboards of cars.

• (1110)

We have debated the bill for some time now. I think the bill was first debated on June 19, 1995. I have heard all the discussion from both sides of the House and we still come to the same conclusion. It is not clear that MMT is hazardous to our health, our air or automobiles.

In the debate last week the member for Glengarry—Prescott—Russell stated: "The product in question has been known to have effects which are offensive to the health of people". The member presents the broken ideology of the entire Liberal Party: make a statement, substantiated or not, so long as it scares people into thinking it is right. In this case the member was making an inaccurate statement. I guess he has not read his own government's reports and is simply shooting from the hip.

Canadians have a right to hear the truth and have government pronouncements backed up by real data. In the December 6, 1994 Health Canada report "Risk Assessment for the Combustive Products of MMT", all analysis indicate the combustive products of MMT in gasoline do not represent an added health risk to the Canadian population.

The member for Glengarry—Prescott—Russell cannot dispute a study of his own government. What the member does not realize is that if MMT were so hazardous to the health of Canadians his colleague, the Minister of the Environment, could have easily added it to the schedule under the Canadian Environmental Protection Act. She cannot and so she has gone through the back door only to find a few snags along the way. These snags are raising questions from some within her own party and yet she refuses to listen.

The Minister of Natural Resources has strong reservations which the environment minister is ignoring. Why? The Minister of the Environment is being pressured by auto manufacturers who have told her that if the product is not banned maybe they will close some plants and maybe lay off some workers. Instead of listening to reason, the minister went ahead and proceeded

with the bill banning the trade of this substance so it would not be uneconomical to use in Canada.

There seems to be considerable concern about what type of replacement for MMT will adequately address the increase in NOx emissions. We know ethanol will not reduce NOx very much. We know MTBE is a very expensive alternative, especially for the refineries.

Another major concern I have heard from those who have an interest in the legislation concerns the main rationale for the bill. What is it? The minister has told us the MVMA has evidence to prove MMT causes failures in its onboard diagnostic systems. However, it has not elected to make that research public in order for third party independent groups to evaluate it.

The minister has stood in the House on several occasions and listed every car manufacturer under the sun and said they have all done studies which prove without a doubt that MMT is hazardous to OBDs. Several members of the Reform Party have asked her for those studies but she refuses to table them in the House.

The minister knows these studies do not exist and she carries on as if they do. What a shame the country has an environment minister who is perhaps full of steam or vapour.

I understand General Motors is currently conducting a testing program to evaluate the effects of MMT on OBD systems. Why is GM initiating a test again when the minister claims it has already done a conclusive test? Clearly there are some inconsistencies. It is time the minister set the record straight.

On several occasions the Minister of the Environment has gone on that the United States has banned MMT since 1978 and that Canada is simply following suit. In 1978 the Environmental Protection Agency did not approve MMT because of its view that it might affect the health of Americans. However, the EPA's research was reviewed by the U.S. court of appeals and based on the findings the EPA was instructed to grant the manufacturers of MMT a waiver which will allow the reintroduction of MMT into the American market.

The minister might have egg on her face if she goes through with the bill at this time while a reversal is being made in the United States. At that time will the minister want to conduct further studies in Canada? She may even ask for an independent test to be done. We have been asking for that. This would not be the first time the minister has completed a 180 degree turnabout.

This past summer off the coast of P.E.I. the government had plans to raise the *Irving Whale* oil barge, sunk for over two decades. Despite the presence of the PCBs on board the vessel the minister went ahead. I questioned the minister in the House on that one and she reassured Canadians that all appropriate testing had been done and that the Canadian Coast Guard was more than prepared to make it a safe lift. The lift did not occur due to bad weather and was therefore scratched for this year. As a result there was a court that was convinced there had been inadequate study of the considerations of the PCB factor. The result was an injunction against the action of raising the barge. We have now discovered that the minister wants to undergo further testing on the presence of PCBs on board the *Irving Whale*.

• (1115)

I am discussing a pattern of the minister, ministerial responsibility, accountability. First she tells Canadians that everything is a go and there is no hazard at all. Then she says they must do more testing. The minister does not seem to be able to make up her mind. The same is going to happen if the United States lifts the ban on MMT later this year. Will the minister organize independent testing then? Perhaps she will be forced to.

The minister has a chance to save face and vote in favour of the motion that was moved. If she waits for six months she will have the opportunity to see what the U.S. courts will instruct. However, if Bill C–94 passes and the U.S. courts reverse the decision forbidding MMT to be sold again, the minister will have to bring forward another bill that would reverse Bill C–94. This would not only be an added cost to the taxpayer but it would also be a travesty of our parliamentary system.

Does the Minister of the Environment want to really make the taxpayers dig into their pocketbooks just because she is pressured by her political supporters? What about this pressure? The MVMA threatened that if the government does not ban MMT it will void the warranties. In a copy of the fuel section of the owner's manual of for example the 1996 Buick Regal, it bears no mention of a lack of warranty coverage.

General Motors certainly knows how to disclaim warranty responsibility since the 1996 owner's manual contains a disclaimer regarding the use of methanol in the vehicle. The manual goes on to state that the service light on the instrument panel may turn on with the use of certain fuels, not in Canada and the United States, but elsewhere because of a lack of grade of refining. If this occurs the owner should simply contact the retailer for service. What it means is they would want to clean the sensor. This certainly does not disclaim warranty responsibility so those threats that were mentioned in this House do not bear fruit.

If the auto industry has not carried through on its threat to void warranties in instances where MMT is used in gasoline, then why is the government trying to rush this legislation through the House? This bill has been political from the outset. It is the responsibility of the Ministry of the Environment to do what is best for the country and our environment and not what is best politically. The minister is becoming Canada's best non–environmental minister and this in itself is hazardous to the health of Canadians.

We should reflect on the gamesmanship and the deal making related to this bill. It is becoming another instance where the government's political concerns in its own mistaken view have taken precedence over what is good for the country. This bill has nothing to do with helping the environment. In fact, it is said that the result is equivalent to adding thousands of cars immediately to the exhaust load of the air if this bill is passed. It is not good for Canada that we rush into banning trade in a commodity which could very shortly be used in the United States.

I was sitting here listening to the member for Peterborough who claims that the banning of MMT will save jobs. The MVMA threatened the environment minister to ban MMT or else workers would be laid off. The minister has denied that the MVMA threatened her with this. Now the member across the way has admitted that jobs might be lost, or at least that was the threat anyway and he is peddling this as an argument. We now have an admission that contradicts the minister.

This is all scare tactics and puffery in the absence of scientific evidence. What seems the most appropriate course in this instance is to use our motion, the six month hoist, so that we will have sufficient time to review all the scientific evidence and make a fair and considered evaluation of the rationale for Bill C–94.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Yes.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

• (1120)

And the bells having rung:

The Deputy Speaker: Pursuant to Standing Order 45(5)(*a*), the division on the question now before the House stands deferred until 5 p.m. this afternoon, at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

[*English*]

OCEANS ACT

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.) moved that Bill C–98, an act respecting the oceans of Canada, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to lead off the second reading debate of the oceans act. We on this side of the House believe that with the introduction of this legislation today we are coming to the successful conclusion of a long and at times dramatic chapter in Canada's maritime history. With this legislation we are at the beginning of a new and even more vital chapter in that history.

The oceans act will define for Canada—and for many Canadians this will come as a surprise—for the first time in legislation, an exclusive economic zone covering almost five million square kilometres of the Atlantic, Pacific and Arctic oceans. With the passage of the oceans act, Canada will effectively increase the area over which we in Parliament have jurisdiction by nearly one–half, as the area covered by Canadian law will increase quite dramatically.

Today Canada has the world's largest coastline measuring nearly 244,000 kilometres. Much of it of course is formed by islands in the Pacific, Atlantic and Arctic oceans, as I have said. The Great Lakes coastlines add another 9,500 kilometres.

With the passage of this bill we should think of Canada and the area over which it has jurisdiction as not just encompassing the prairies, not just encompassing the coastline of the great province of British Columbia, our north and northern territories, east and west, the great provinces of Ontario and Quebec, and of course Atlantic Canada including Newfoundland. We need to think as well about that tremendous area covered by Canada's three oceans and notwithstanding recent problems, the tremendous wealth represented by both the living and non–living resources of the oceans.

As Canadians we have worked diligently over many years to stake our claim and to establish our rights to control our ocean areas. With this bill that struggle which has been undertaken by successive generations of Canadians and by successive governments of every political stripe is finally coming to an end.

The oceans act expands our notion of Canada as a country. The oceans management strategy increases the priority that we place as a society upon the wise development of our ocean waters. The bill before Parliament will put in place the means for the government to exercise Canada's new ocean responsibilities.

The oceans act will give our country the framework for building a new oceans management strategy. Canadians will have to work very hard together to ensure that we achieve the economic opportunities while at the same time sustaining the environment and the living resources of our oceans. Over the years but in particular in the last two years since the election of this government, we have successfully asserted our rights. Now we have to assume our obligations.

• (1125)

Canada's ocean heritage stretches back to the very opening up of our nation. The oceans enabled our ancestors, explorers and pioneers to establish the basis of modern Canada. The roots of Canada lie in aboriginal peoples finding their sustenance in the Arctic ice and waters and the waters off both coasts and the courageous crossings over the Atlantic Ocean by John Cabot in 1497, nearly 500 years ago.

Coming first to the teeming waters off the new found land Cabot encountered not silver, gold, oil, minerals or other kinds of resources that captured his imagination. Rather he encountered teeming waters full of groundfish, a multiplicity of species, all of which gave rise to the drive to colonize, to capture the new found land, the new continent.

Of course Cabot was followed by Cartier in 1534 and Champlain in 1603, together building the new land. For generation upon generation immigrants came to Canada, wave literally upon wave, building this country. With the oceans act today we salute the historic voyages of Cabot, Cartier and Champlain. We continue with confidence their work and their vision when they founded this new land.

Canada's commerce was founded on ocean trading. Ocean transport, communications, fishing, tourism and recreation have helped forge our national identity. The oceans are as much a part of Canada's soul, how we see ourselves, how we define ourselves, as are the Rockies, the prairies and the Canadian shield.

Canadians have always cared deeply and passionately about our oceans. For the past few decades that passion has been directed toward securing international recognition of Canada's jurisdiction over those waters and their resources. Canadians have been of one voice in pushing for strong international binding agreement on ocean management rules. We have been of one mind as a nation when we have had to be in taking direct measures and yes, sometimes bold measures, sometimes unprecedented and unilateral measures to assert jurisdiction to protect our ocean resources and the marine environment upon which they depend.

In 1958 Canada took a leadership position at the first United Nations conference on the oceans. Since 1967, our centennial year, Canadians have spearheaded discussions which led after many years to a UN convention on the law of the sea.

Of course Canada again was in the forefront over the last several years at the UN convention on highly migratory species and straddling stocks which concluded last August 4 in New York with a new binding convention. Members of this House from all parties participated in that process. Members of this House from all parties worked together united in building and protecting those ocean resources, not only for this generation, not only for Canadians but for citizens of the world.

The kind of influence that we in Canada, a middle power, exercised was only possible because we were able to go to the United Nations and speak with one united voice. We were able to speak with a vision that was greater than the concerns as measured or identified by our own backyards.

• (1130)

That is why we were successful. That is why Canadians in every province today, without exception, can take pride in the work successive governments have done and in the successes we have achieved by working together.

Over the years we have sometimes been confronted with challenges to our jurisdiction and challenges to our determination. Members may recall that in 1969 the U.S. owned *Manhattan* sailed through Canada's Northwest Passage without prior approval from Canada. There was a tremendous public response. That is the polite way of putting it. That response led to speedy passage of the Arctic Waters Pollution Prevention Act.

I recall the minister of the day who had the responsibility of shepherding that act, the Arctic Waters Pollution Prevention Act, was none other than the current Prime Minister of Canada. It was an act by which Canada extended out to 100 miles its jurisdiction, its responsibility, and made clear its authority to manage the important and fragile Arctic waters. It was the present Prime Minister who presented that bill to Parliament. It was a bill that was supported by members on every side of the House.

In 1970 Canada declared a 12–mile nautical territorial sea. On January 1, 1977 we declared a 200–nautical mile fishing zone. I am pleased to note that it was the minister of foreign affairs of the day who had a very large hand in seeing Canada make progress in this regard, the hon. Don Jamieson, member of Parliament for then Burin—St. George's in Newfoundland. He was, I will not say assisted, in full partnership with the current Governor General of Canada, the Hon. Romeo Leblanc, who was then Minister of Fisheries and Oceans. These two gentlemen stood side by side and with the co–operation of all the members of the House and Canadians everywhere claimed Canada's 200–mile fishing zone.

I should note that it was only last year that members of this place in every party of Parliament—the Conservative Party, the New Democratic Party, the Reform Party, the Bloc Quebecois together with the Liberal Party—gave unprecedented and speedy full passage within two sitting days in both Chambers to Bill C–29, an act to amend the Coastal Fisheries Protection Act.

It was that legislation which enabled Canada to take action to protect important fish stocks on the high seas that straddle Canada's 200–mile limit. It was clear that the national interest was at stake. When the needs and the interests of those who live in coastal Canada beyond the reaches of most of us, beyond the experience of most of us, beyond the direct knowledge of most of us, are confronted with the notion that straddling stocks which sustained hundreds of communities for 500 years were being decimated, and we were concerned with flag of convenience vessels, Parliament was able to respond. It was able to rise to the challenge and Canada, because its focus was clear, because its cause was just and because its sense of nationhood was strong, was able to respond. We passed Bill C–29 and we literally moved the flag of convenience vessels off our continental shelf. We protected those resources for Canadians and for the world.

The oceans act is the final major piece of legislation to make all these efforts over so many years by Canada and by Canadians complete and worth while. The act will formally establish Canada's jurisdiction as a coastal state over its ocean areas and over our resources.

The legislation before Parliament is completely compatible with the law of the sea convention and with new global rules on the management of ocean resources and the marine environment.

• (1135)

This bill defines our national maritime zones as consisting of Canada's internal waters, the territorial sea, the contiguous zone, the exclusive economic zone and Canada's continental shelf.

The legislation incorporates all relevant existing law that Canada has, covering our full rights and jurisdiction over internal waters; our fishing zones off the Atlantic, the Pacific and the Arctic, including the Gulf of St. Lawrence, the Bay of Fundy, Queen Charlotte Sound and Dixon Entrance; and our rights with respect to the continental shelf. Canada has rights to living organisms belonging to sedentary species in or on the shelf and jurisdiction over the exploration and exploitation of minerals and non–living resources of the seabed and subsoil.

Last summer, under the provisions of the law of the sea, Canada claimed jurisdiction to manage Icelandic scallops that reside beyond the 200–mile zone and not within it. Some American fishing vessels decided to fish those scallops. Canada asserted clearly, strongly and unequivocally our right under the appropriate sections of the law of the sea to manage those species. Under the appropriate provisions of the law of the sea sedentary species which extend on the continental shelf are to be managed by the coastal state.

Such a claim has never been made anywhere else in the world before. We made it last summer. It led to a period of disagreement with our good neighbour and friend, the United States. At one point some direct action was taken to stop fishing activity. However some months later there was a recognition by the United States of Canada's jurisdiction over Icelandic scallop, even those scallop residing in waters beyond our own 200–mile limit but on our continental shelf. That was last summer.

This summer we staked a claim to control distant water snow crab on the high seas, beyond our 200–mile limit. No country challenged that claim this year.

For all these questions, the oceans act is a consolidation of current Canadian law. What is so crucial in the bill is the declaration of Canadian jurisdiction over the contiguous zone and the exclusive economic zone. Most Canadians will not be familiar with these technical terms, but many Canadians will have heard the phrases 12–mile zone and 200–mile zone.

Canada's territorial sea extends from our coastline out to 12 nautical miles. In the territorial sea Canada has full jurisdiction to ocean waters, to the seabed beneath those waters and to the airspace above. This is existing law.

The contiguous zone will extend an additional 12 nautical miles from the outer edge of the territorial sea. In this zone Canada will have the power to enforce our fiscal immigration, sanitary and customs laws. The exclusive economic zone, which we are declaring and prescribing for the first time in legislation today, will absorb the 200–mile fishing zone and cover all economic activity in the ocean area out to 200 nautical miles from the coastal baseline. In this zone Canada will have jurisdiction for exploring, exploiting, conserving and managing all the living and non–living resources of the waters, seabed and subsoil.

Canada's jurisdiction in this zone will cover economic activity and will cover marine scientific research, protection and preservation of the marine environment and artificial islands, installations and all structures. The act will grant Canada powers that go well beyond the powers our country has asserted in the past. It puts in place a clear definition of jurisdiction fully supported by existing global agreements.

Canadians should rightfully feel proud and satisfied this day has come. Canadians from every corner of the country and, as I have said, from every political persuasion, from every party and every walk of life, have at one time or another stood together for decade after decade to make this declaration of Canada's oceans jurisdiction a reality.

• (1140)

For all the excellent co–operation that went into establishing oceans jurisdiction, the truth is that Canada's policies for actual management of our ocean areas over the years have been piecemeal, fragmented and scattered on occasion. The same spirit of partnership, co–ordination, co–operation and innovation that enabled Canada to gain authority over ocean resources must now be used to manage the same resources.

The oceans act sets out a basic legislative framework to support a new Canadian oceans management strategy. The act provides the building blocks for integrated management and sustainable development of Canada's ocean resources. The act outlines a new ecosystems based approach to marine resource management. It provides a common focus for federal responsibilities and consolidates federal programs and authorities from as many as 14 different departments under the jurisdiction and administration of one department. It endows Canadians with legislative tools to start working on oceans management holistically rather than sectorally.

The need for sustainable development of resources was made crystal clear in the 1987 report of the World Commission on Environment and Development chaired by Norway's current prime minister, Prime Minister Brundtland.

That same year, in 1987, the previous government, the Conservative government of the day, committed itself to the introduction of an oceans act. Unfortunately that commitment was not translated into action and no legislation was introduced.

The government is acting. Last year the National Advisory Board on Science and Technology in Canada called for an oceans act equipped to address the needs of ocean frontier development for the present and, more important, for the future. The advisory board called Canada's ocean management policies ad hoc and at times haphazard. The board called for Canada to develop a proactive oceans policy that plans for the future rather than responds to the crisis of the day.

As the present Prime Minister said at that time, "far–sighted, prudent management of our oceans will provide us with a powerful tool for long term regional development from coast to coast in Canada".

In November 1994 I released a document setting out the potential elements of an ocean management strategy for Canada. The government then sought advice all across the country, from St. John's to Vancouver, from Inuvik to Quebec City. Certain things emerged early and were clear. The federal government does have a leadership role to play in oceans policy. There should be one federal department taking the lead in developing new strategy. People want to be involved locally in providing solutions to regional priorities. There is a need to sustain resources and to diversify ocean industries.

All the advice from provinces, municipalities, coastal residents, fishermen, business, labour, environmentalists and scientists was heard loud and clear. The bill now sets out the elements of an oceans policy. However all Canadians must be involved in developing specific mechanisms, planning and management structures, and the guidelines and standards required to bring about sustainable use of oceans and their resources.

In recognition of the need for an integrated approach to oceans management, the government announced the merger of the Canadian Coast Guard with the Department of Fisheries and Oceans, which came into effect on April 1, 1995. The new organization will provide for a more co–ordinated approach to policy development and a strengthened operational focus. The new organization will comprise the principal civilian marine operational component of the Government of Canada. It is now constructed and consolidated into one of the largest marine fleets anywhere in the world today. As a consequence, we are able to be more cost effective, more cost efficient, we are able to ensure high national standards from coast to coast and be efficient in the provision of services.

• (1145)

There are new and increasing challenges for boating safety, navigation, infrastructure, and under sea exploration. The Canadian Coast Guard provides, in conjunction with the Department of National Defence, the marine component of the federal search and rescue program, marine aids to navigation, icebreaking services, vessel traffic services, safety communications and the dissemination of information regarding marine weather, ice, and changes to navigational aids.

The coast guard brings much in the addition of programs to the department of fisheries, programs that ensure the safety of human life at sea, the safe and economical movement of ships, and the protection of our marine environment. It makes sense to include these programs with the federal minister responsible for oceans and the protection of the fishery.

Bringing together these two fleets and bringing together these two teams, the Department of Fisheries and Oceans and the coast guard, also gives us the ability to multi–task ships from both fleets and consolidate them and cross train them to ensure that people who heretofore were doing primarily coast guard duties are also available for enforcement duties on the fisheries side, and vice versa. It also ensures that the helicopters that were flying resupply missions to coast guard stations, to navigational aids, and to coast guard lights are also available for carrying out enforcement activity on behalf of the enforcement branch of DFO.

We will consolidate regional offices, regional directors general, regional strategic locations into one combined, enlarged, and improved location to find efficiency but at the same time sustain a high level of services, which were heretofore divided between two marine based departments. It is a common sense approach to dealing with the problem of the deficit that the government wants to undertake, not the hack and slash and burn advocated

by some others, who believe that deficit reduction in itself, with no regard to the importance of providing basic services to Canadians, ought to be the goal of governing in the 1990s.

The Canada oceans act will give the Minister of Fisheries and Oceans the legal authority to draw together all of Canada's ocean stakeholders to develop a strategy, as I said, based on sustainable development and integrated management. The act provides the authority to develop the actual mechanisms to implement new strategies. It gives the minister the ability to enter into new partnership arrangements in order to ensure that the oceans management strategy meets real regional needs and fulfils real regional aspirations.

Every Canadian, I suspect without exception, is well aware of the extraordinary environmental stress placed upon our oceans. We all know too well and some of us too painfully about resource depletion, habitat degradation, and marine pollution. We know that if we destroy the ocean environment we cannot meet the social and economic goals of coastal Canadians.

This act therefore provides the authority to create for the first time protected marine areas in order to safeguard ocean biodiversity and to safeguard endangered species. For the first time we have set out a legislative framework to declare certain of our ocean areas protected marine areas.

While it is too early to say that the government has made a decision or I as Minister of Fisheries and Oceans have made a decision with respect to protected marine areas, I am much interested in the possibility of declaring protected zones as a means of ensuring conservation of endangered species. In other words, it is a management tool. If we want to take the precautionary approach in fisheries management, one way to do that is to set aside certain nursery zones, spawning areas, and to hold the areas to be off limits to any fishing activity to ensure that even as we conduct fisheries and even as we harvest what appear to be healthy stocks we give ourselves a measure of insurance by setting aside certain zones. The government will explore that and will seek advice from the Standing Committee on Fisheries and Oceans in the weeks and months ahead.

• (1150)

The act gives the Minister of Fisheries and Oceans the ability to carry out scientific marine research in support of the new strategy. I cannot overemphasize that this act is about building new partnerships among Canadians. That is what we will be seeking with the stakeholders in the oceans community and the scientific community in the weeks and months ahead. Indeed, that is what we are seeking in referring this bill now to the standing committee: advice, comment, questions, and yes, criticism where appropriate. We want the strongest possible bill that can be provided.

I am counting on the members of the Standing Committee on Fisheries and Oceans, who have a long and distinguished record, both the current committee and its predecessors, for being the conscience and the voice of the oceans and of the living resources of the oceans, to bring forward a bill that is stronger than the one I put before the House today. I am confident that Chairman MacDonald will do just that.

The bill signals renewed federal leadership by consolidating under one authority the lead responsibility for management of oceans. It signals the federal government's commitment to a comprehensive and co–operative approach to oceans policy. It signals the need for shared information, shared planning, shared management. It signals that Canada and Canadians are prepared to act in making the most of our assets.

The act is the last step toward formal jurisdiction over Canada's oceans territory, but it is the first step—

I will conclude momentarily, Mr. Speaker. I can see you are edging up on your feet with excitement.

The Deputy Speaker: You have approximately eight minutes to speak. I would ask that when you refer to members of the House you refer to them by their riding name rather than by their surnames.

Mr. Tobin: Yes, Mr. Speaker, I am fully aware of that rule. It was my desire to reflect the full responsibility and authority of the hon. member for Dartmouth in *Hansard* when it is recorded for purposes of householder mailing to refer to him by name. The Speaker of course would be unfamiliar with such considerations.

We all know that the model of Canada is from sea to sea. The Canada oceans act recognizes that Canadians from one end of the country to the other, in every region and in every province, are owners of our seas. Together Canadians from every part of the country have unbelievable opportunities to gain and to keep sustenance and wealth and pleasure from our oceans. Together Canadians from every part of Canada, from sea to sea to sea, hold those oceans in trust for the future. The Canada oceans act is one key move to exercise that trust that has been bestowed upon us with pride and with care.

In coastal Canada for the last number of years we have suffered tremendously from economic loss, economic dislocation, real human suffering. We can find it in every part of coastal Canada. We can certainly find it along the coastline of Newfoundland, where 300 communities have been displaced from the traditional way of life because of the groundfish failure, where 30,000 people find themselves not hauling up their boats and repairing their gear but are contemplating the end of another year when they have been absent from the sea.

We can find it in Nova Scotia, in particular the groundfish failure in northern Nova Scotia but also along the south shore as well. We can find it in P.E.I., less so in New Brunswick, certainly in the province of Quebec along the north shore, in the Gaspé and the Îles–de–la–Madeleine, where people have suffered real hardship.

We can find a sense of fear and concern on the coast of British Columbia, a concern that the groundfish failures of the Atlantic not be repeated in the west. There are conflicts between stakeholders about who has access to resources, who ought to have access to resources, and what gear types are most resource friendly. These are ongoing discussions and difficult ones between stakeholders.

• (1155)

Whatever our backgrounds, whatever our political stripe, whatever our ideology, the one thing we all must know in this place—and notwithstanding the public perception that we never agree, we have demonstrated it in the past in this place—is that we understand the tremendous importance and value of the oceans heritage. We can and we must. I call on colleagues again to work together to expand and protect and ensure that oceans heritage.

As I am fond of frequently saying, as I think it is a wonderful piece of advice for all of us, may we be guided by the words of the Haida people, who say that we do not inherit the land or the sea from our ancestors, we borrow it from our children.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Admittedly, it has been a while, Mr. Speaker, since we had the opportunity to debate a fisheries bill in this House. I can remember the House having to debate such legislation very soon after Parliament reconvened in 1993, even though we started in 1994 and had been elected in 1993. This morning, I would like to say from the outset that this is a sad day for myself, as a parliamentarian, for two reasons.

First, contrary to what had been the case with the two previous bills presented by the Liberal government, this time, we did not have the chance to familiarize ourselves with the legislation and prepare to provide proper explanations to our constituents. Let me explain.

This bill was introduced for first reading approximately three months ago, on June 14. During all that time, I tried to know more about the bill. I also spoke with the chairman of the fisheries committee, the hon. member for Dartmouth. I hope he can be recognized later, but the fact of the matter is that we do not have all the information. We asked senior officials of the department for information. We made all kinds of inquiries, had several briefing sessions, but never got the answers we were looking for. These could have been included in a precis, the purpose of which, and I will refer to my notes so that I do not mislead anyone, is to identify the scope of each clause of a bill. My point is that the fisheries department, and hopefully not the minister himself, did not make the task any easier for us parliamentarians.

Bill C–98 covers many other existing acts of Parliament. This is why I wanted to know the origin of each of these acts and see how they complement each other. I also wanted to be able to measure the scope of each of the clauses. In that sense, it is a sad day for me.

The other reason why it is a sad day has to do with the fact that we often ask questions in this House but seldom get answers. This is the first time, since the last meeting of fisheries ministers in Victoria last fall, that the department has given us an indication of where it is headed. From what I understand, since the department's officials did not provide us with a precis, this new bill provides that the provinces will be consulted like any other legal person interested in the issue. Already, this is something that I have trouble with. Quebec attended that conference on fisheries management, but so did British Columbia, Newfoundland, Prince Edward Island and New Brunswick.

• (1200)

Some of these provinces had stated their needs, as well as their willingness to share with Ottawa the responsibility for fisheries management.

However, this morning, we see that at the first opportunity the provinces have to give an idea of where they are headed, the whole issue is downplayed. I do not oppose regional meetings and decentralization, but the importance of the provinces should not be overlooked. Moreover, there is no indication of any hierarchy in terms of the consultations and that also makes me sad.

The House is a place where we can express our views. I want to take this opportunity to say that even though some provinces may be prepared to give more power to Ottawa—and I cannot keep these provinces from doing so—we should take into consideration those provinces which are willing to play an active role in the management of fisheries. However, the bill does not appear to do that.

This was my introduction. I will now discuss the content of the legislation for the benefit of the members who did not have time to read it, as well as for your benefit, Mr. Speaker, and that of the public watching us on television. The bill contains three parts, as the minister pointed out, but I will summarize them a little faster.

The first part seeks to recognize, in the law of the land, Canada's jurisdiction over its ocean areas. There is a reference to Canada's role in the drafting of the Convention on the Law of the Sea, which came into effect in 1982. It is now 1995. They have taken 13 years. Now they are asking us to take less than three months to understand it all, to assimilate it all, while

refusing to give us the texts setting out the scope of the bill. This concerns Part I of the bill.

Part II deals with defining the legislative framework necessary for establishing a national oceans management strategy. I will say no more about defining the legislative framework just now, but will come back to it later. Part III addresses clarification of federal responsibilities with respect to oceans management.

I would like to touch upon these three points briefly. I have attempted to take notes of what the minister said, thinking this would help me in constructing my own address as well. But let me start by commenting on how the minister has been able to use this bill to do a great deal of flag waving. He is entitled to do so, except that in my opinion Part I of the bill which gave him such a chance to wax patriotic could, according to what I hear from some public servants, have been handled by the governor in council alone, in other words the cabinet, with ratification of the Convention on the Law of the Sea. Or, to put it more clearly, there was no need to bother the House, no need of a statute for it to be adopted.

And that from my understanding of his words is where he has placed the most emphasis in his speech. So you will understand my amazement.

Part II concerns the legislative framework. What is the framework he presents? My initial conclusion is that what is being addressed here is facilitating implementation of this integrated oceans management.

• (1205)

Reference is made to facilitating contacts between federal ministers and other concerned parties. Does it take a statute of Parliament in Ottawa to encourage federal ministers to talk to each other? Perhaps encouraging ministers to communicate with each other ought to have been put into the Constitution right at the start. An act to encourage communication. Again, Mr. Speaker, pardon my amazement.

A little further on I do see how this legislative framework operates, but it still strikes me as poorly defined. Poorly defined in that the federal responsibilities with respect to oceans management as they are set out still strike me as fuzzy, but the relationships between the ministers also strike me as fuzzy, very very fuzzy.

At the briefing sessions I was told that as many as 14 departments could be involved. Upon reading the bill, we see four or five departments referred to by name. The Department of Foreign Affairs will be responsible for approving the zones. Oddly enough, when the bill refers to sustainable management and the quality of the environment, we see that the minister will be able to set standards. However, unlike certain cases when the Attorney General of Canada is asked to issue a certificate, the minister would not be required to seek the permission of the Deputy Prime Minister who is also the Minister of the Environment. However, that is a matter on which the hon. member for Laurentides will expand later on.

As far as I am concerned, I find it rather confusing, and I have the impression it will take more than one bill. The Prime Minister will have to attend quite a few of these meetings to be sure that all ministers are present and are willing to take part in the sessions the fisheries minister will have to set up to implement his management strategy.

Imagine how the bureaucrats and the ministers will react when they have to do it all over again together. I think the sequence is all wrong. I said earlier there were three parts to this bill. They could have set up the first part with cabinet. As for part two, the management strategy, they could have provided a better framework. As well, before second reading they could have asked us to work on the bill in the fisheries committee. It is really too bad that such a poor job was done, according to some bureaucrats and some members opposite, Liberal members. We will not name them because solidarity bids me to respect their silence. They will speak for themselves. However, the confusion this morning could have been avoided.

We could have avoided the sniping that went on earlier, and we could have avoided the partisan remarks. In any case, I will try to be objective to the very end, but I have a feeling that some members have already been given notes for their speeches and will have to read what the party asks them to say, not what they feel like saying or have already said. In clear terms, from what I understand, the minister is not proposing a specific strategy, but merely a duplication of powers.

• (1210)

The minister could have tabled a specific strategy that recognized the respective roles of other federal ministers and the provinces. Once approved, the strategy could have been supported by a bill. There was nothing to prevent the minister, at that point, from calling a meeting with his federal and provincial colleagues to define the strategy. But no, the minister preferred to give himself new powers and, as I said earlier, to put his colleague, the environment minister, before a fait accompli and leave the provinces out of the debate altogether.

As I said earlier, the Bloc Quebecois co–operated with the government at the beginning of its mandate on Bill C–29, the legislation to protect straddling stocks. I think that in this case we showed our good faith, we showed we were not influenced by partisan considerations nor by our cherished goal.

An hon. member: Separation.

Mr. Bernier (Gaspé): Some call it that, but I have always said sovereignty. When you say in Bill C–98 that its purpose is to strengthen—

The Acting Speaker (Mr. Kilger): Order, please. I may remind the House that comments should be made through the Chair, not directly from member to member across the House.

Mr. Bernier (Gaspé): Mr. Speaker, minor disturbances occur from time to time, but as I was saying—I have lost the gist— I was saying that one of Canada's prime objectives in connection with Bill C–98 is to reaffirm its sovereignty over its coastal waters.

One of my colleagues whispered to me that one project dear to my heart was separation. How is it that, when Canadians are talking about affirming their identity, they talk about sovereignty and, when Quebecers talk about wanting to be sovereign, Canadians call it separation?

Nowhere have I seen reference by international journalists or in the international press to Canada's wanting to separate from the rest of the world with the announcement of Bill C–98. It just wants to assert its sovereignty.

I hope my little digression will help some people to understand and to use the proper terminology in the future.

I would also like to add, before getting into this small digression, that the Bloc Quebecois took part in Bill C–29. We knew it would be difficult. We knew that our plan to protect fish stocks in overlapping zones outside our territorial waters had no basis whatsoever in international law. However, I should add that no point of law prevented us from taking the action we unanimously authorized the Canadian government to take, here in this House.

What I want to say is that common sense prevails, always. When we appeal to people's common sense, when we take the time to explain things to them, they understand. When we do not take the time, we keep going round in circles. This is what has been happening in the constitutional context for the past thirty years; we have not taken the time to properly explain to people, and we are going round in circles.

In terms of the bill before us this morning, we could have avoided going round in circles, but we did not take the time to properly explain. Had that been done, we in the opposition would have worked with the government members opposite and talked about our suggestions for part I and whether fundamental principles could be respected and an order of consultation established in connection with part II—that sort of thing. We would have saved a lot of time and a lot of taxpayers' money, and the problem would be solved. At least we would have a timetable that would allow us to say we would progress.

• (1215)

At this point, we do not have anything. I am saying right off the bat that if the government ever uses its majority without taking into account the comments made by members who disagree with it, we will always have problems with this bill. If I understand correctly, the minister of fisheries sees this bill as the way to correct the management errors we made in the past. We should, however, ensure that everybody understands and that the solution is appropriate to the problem. We must first agree on the definition of the problem before trying to define solutions.

All this to say—I am not such a bad guy after all—that I agree with the minister of fisheries that many things in Canada are scattered. I, too, recognize that this management is a little chaotic. I may not be using the same words as the minister but I think the same thing.

In this regard, I could agree to go back and sit with the people on the fisheries committee and work on what could be called an integrated ocean management system. For the people listening to us, integrated management system does not necessarily mean that everything should be centralized. We should first of all ensure that the right hand knows what the left hand will be doing.

At this time, when we are still at the starting gate, I am not sure that the other members of the cabinet are aware of the full import of this bill, but there is one thing I would like to know. If it is supposed to make things easier, I would like the minister of fisheries to show us that he is on top of this by inviting the 14 other ministers concerned by this bill to come and tell us how they see their participation in this proposed management committee, how all this will come together, so that we can see and feel it in front in us. But I have yet to hear the other ministers.

This sums up my position this morning. I could perhaps close with a brief summary of what I said and I will then have a motion to table. In short, this is the position of the Bloc Quebecois. Part I of the bill defines in the laws of this country Canada's jurisdiction over its ocean areas. It is certainly important to recognize one's sovereignty. However, I am not sure that we needed a federal act to do that. Indeed, we were once told by the ambassador representing Canada during the negotiations on the convention that such recognition could be made by cabinet.

As far as I am concerned, Part II is only window dressing. The bill does not meet its objectives. The required legislative framework for the implementation of a national strategy is ill–defined and federal responsibilities regarding the management of oceans are vague. What is even worse is that the bill disregards the provinces' jurisdiction, including in the environment sector—as the hon. member for Laurentides will explain later on—and defines provincial ministers as mere associates on the same level as any other person, whether in the private or the public sector, interested in the issue.

This bill could therefore generate disputes. This is unacceptable, in our view. Consequently, we oppose the legislation. We feel it is necessary to clearly define a strategy for the management of oceans, but that strategy must be efficient and not lead to conflicts.

• (1220)

In that regard, the minister must go back to the drawing board and come up with a strategy that will clearly define the responsibilities of each one involved in the process, without creating any new overlap between federal and provincial departments.

On that note, I would like to table a motion—although I do not know if I can do so at this stage—which could read as follows. I move, seconded by the hon. member for Laurentides, that the motion be amended by deleting all the words after the word "That" and substituting the following therefor:

"Bill C–98, an Act respecting the oceans of Canada, be not now read a second time, but that the order be revoked, the bill withdrawn and the subject matter referred to the Standing Committee on Fisheries and Oceans".

In so doing, we would create a climate which would ensure the implementation of an ocean management strategy much more quickly, efficiently and constructively, with the participation of parliamentarians. That would also result in significant savings.

Mr. Speaker, I therefore table my motion.

I note that there is still some time left but as I have already stated I would not wish to drag things out in my concern to save the taxpayers' money, and to launch into patriotic speeches as well, a move which I expect would offend some of those present in the House this morning because any flag waving I would do would not necessarily involve the flag of Canada.

Not that I have anything against Canadians, but my objections are instead against the federal system as it exists at present and as it is administered at present. The bill tabled this morning is to my mind a perfect illustration of the fact that no effort is being made to seek agreement among ourselves. The minister makes a decision. Perhaps an ill–advised one. I am, after all, prepared to attribute good intentions to him from time to time. But the minister heads in a certain direction, deliberately closing his eyes and ears to everything around him, probably even within his own caucus.

On these grounds therefore I invite the minister to withdraw the bill, to provide an opportunity for us to develop a strategy at last, but a strategy that must be created in an atmosphere of mutual trust. If we cannot manage to do so I feel Quebecers will understand that if, every time we take the floor to try to get our point of view across to the others, theirs is the one that wins out it would not be surprising if at some point when nothing can be changed from within it becomes necessary for us to break out of this federal morass.

The Acting Speaker (Mr. Kilger): My colleagues, the amendment by the hon. member for Gaspé is in order.

[*English*]

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is a pleasure to speak to Bill C–98 today. Some of the things in the bill bring back a lot of memories from watching politics over the years as to whether the bill will be a success or failure in future years. One never knows but I trust the minister is going in the right direction on the issue. We will speak to a few things on that in a moment. I want to talk about the minister's introductory comments on the bill in general. I want to spend some time on the fees issue which he seemed to disregard in this comments.

• (1225)

First there is something amiss about planning in the department of fisheries over the last two decades particularly. I can recall about a year and a half ago talking to the previous deputy minister of that department. It took me so long to get out of this fellow exactly how many years the department of fisheries undertakes its strategic planning activities. He really did not want to answer but I badgered him until he did. The answer was three years of strategic planning within that department.

The reason I was asking that question was that if there is a three–year planning cycle in the department of fisheries why then did the previous Conservative government come out with a five–year moratorium plan in fisheries and this current government came out with the five–year TAGS plan?

First of all if there is a three–year strategic planning session, it is beyond me how the department can come out with a five–year plan not really knowing what the end results will be. It seems to me the reason the five–year plan came out was it had a lot to do with when the next election was and a lot less to do with the planning, the conservation value and qualities of fish. That is truly unfortunate.

This government, as was the previous government, is intent on passing money out to unemployed fishermen. That is a subject of discussion in itself, whether it is good or bad or how indeed it is going to deal with the conservation of fish. One thing in Bill C–98 that I heard here this morning is the area set aside for conservation. I think it is good but there is a non–commitment in that aspect of it which I shall address very shortly.

We have a department with three–year plans. The minister would be well advised to have that department look at longer term plans as they do in certain forest industries. The business cycle in some forest industries is as long as the life of a tree, from start to productive cutting. Perhaps the length of planning in the depart-

ment of fisheries should relate to the cycle of the fish. It would not be a bad idea.

I want to mention some of the comments from the separatist member who talked about some convoluted exercise. He mixed it in somehow with the fact that the minister wants to create a certain amount of sovereignty over our waters. He has it mixed up a bit as to what is right and what is wrong about sovereignty in this country.

The very fact that the government is trying to make the waters surrounding our country a part of our sovereign nation is certainly not only for Newfoundland, British Columbia or P.E.I.; it is for all provinces, including Quebec. Why the member would have a disagreement with that just baffles me.

As much as the government may complain about comments from the separatists, as a member of the parliamentary committee on fisheries I find it hard to understand how government members can unanimously endorse that committee's vice–chairman from the Bloc. On the one hand they complain about the comments about sovereignty and so on but on the other hand they allow that to happen. Do the Bloc members actually represent interests of Newfoundlanders, people in P.E.I., people in British Columbia? I have not heard it in this House if that is the case. What is the mind set for that kind of move? I suspect it is appeasement, once again, and that is unfortunate.

• (1230)

The minister talked about the pride we have in our forefathers, the founders of the nation, people like John Cabot who at times had difficulty steering through the waters off the Grand Banks because of the amount of cod. I wonder what John Cabot would say today after 20 to 30 years of government bungling. He would have probably said: "It is a darn good thing we do not have government or an overbureaucratic organization. At least I was allowed over here. There are lots of fish, but what have you people done?" The question on the minds of most Canadians today is: What have politicians done to the fishery?

I am aware that something like 14 formal reports have gone through the House of Commons on the east coast fishery, most of which were ignored. What do we have today? I have family members on TAGS and they are not proud of it. Their boats are sitting on the slip, never to go back in the water again. They are wishing for work. They are hoping some day that there may be work in the fishery. However it does not look good.

Canadians are wondering what we allow government to present in the House of Commons. How bad will this hurt them? There are so many unknowns and so many people out there saying they have been hurt time and time again and asking if this will help that one never knows.

The minister talked about several happenings in the recent affairs of fisheries. In 1958, 1967 and 1993 there were UN conventions. There was a new binding convention to protect ocean resources. I wish just for once the government would stop talking and start doing. I cannot blame the minister. He has to try to improve operations and bring in organizations, but there is no confidence left that good will come of the legislation.

The bill will formally assert Canada's jurisdiction over its coastal waters. However there was no mention about the nose and the tail of the Grand Banks with respect to fish.

Mr. Tobin: It is called the continental shelf.

Mr. White (Fraser Valley West): The minister tells me now that it is in there. From what we can determine those two areas are not included. The area specified is the 200–mile nautical limit. If they are in there they should be very carefully specified because those two areas, as he knows, are outside the nautical limit. If the committee purports to amend things in favour of government legislation it should carefully take note and carefully include the nose and the tail of the Grand Banks. Let us not make it as nebulous as these things usually are.

Apparently there is a consolidation of 14 programs as a result of the bill, but a bureaucracy still exists in the department and the minister well knows it. For a department to lose so many clients, if fishermen can be considered clients of the department, I am at a loss why there is not a proportionate decrease in staff directly related to that loss. That is not the case. We lose the fishermen from the system but we do not lose the bureaucrats.

• (1235)

By the way, I talked with the deputy minister at one point. He is no longer the deputy minister and that is not a bad thing either, but the results of the discussion are still the same. I asked how many people in Ottawa, for instance, had been directly related to the fishing industries on the east or west coasts. I had difficulty getting that answer too but finally the answer, if we check the record of that committee meeting, was negligible.

If that were the case, the minister would be well advised to look at the potential. If he wants gainful employment for those who have been put out of work and gainful retraining, he should start replacing the employees of DFO with those directly affected by the mismanagement of the department in the first place. It would go a long way to responding to some of their needs rather than sitting at home in their chairs waiting for the fish to come back.

The minister stated that the act planned for the future rather than responded to the crisis of the day. This may be the first time in recent history that any government actually planned for the future rather than responded to the crisis of the day. I only have to refer the House to the moratorium in TAGS, an absolutely disastrous program. If the government wants to plan for the future, it should start listening to the people who are involved.

That we know, from British Columbia's point of view, is really not the case.

It is not a bad idea to merge the coast guard with the DFO. That was done in April. However, I caught the comments of the minister that are not bound in legislation. The minister said that we would cross train and consolidate the coast guard, that we would consolidate offices, duties and so on.

I do not know if the coast guard knows about it yet, but I am sure those offices are now wondering what the government is up to. It talks about planning. It should not make announcements in the House that it is to start a consolidation program, that it will move them here and there. There are people involved in the exercise. The minister would be well advised to get some advice first and plan the exercise rather than make a people kind of announcement in the House.

The minister commented on the operation of the parliamentary committee on fisheries and the job of the chairman. Thus far the government's committee has basically done a tremendous job. It met and put a separatist as vice–chairman who does not really represent any of the exercise. Perhaps it is part of the Quebec border. That is the exercise of the government thus far. The chairman of the committee has a bigger job. He should go back to the minister and ask: "Why don't you plan this exercise a bit better?"

No mention has been made of fees. I am sure the minister knows how contentious this exercise is. Sections 49, 50, 51 and 52 indicate that the minister may fix fees for service. I have trouble with government fee for service exercises when Canadian taxpayers are paying for government service as it is. They will end up paying for a service that is supposed to be provided twice: once through taxes and once through a fee for service. It is typical of governments at all levels today to say that they are providing us with a service but if they provide it they will charge a fee. That is what taxes were supposed to be for.

For the information of the minister, a fee, a licence or a permit is a tax. The people involved in the fishing industry do not see a fee, a licence and a permit as just more dollars out of their pockets. They see it as more taxation and more costs. They wonder what it will be spent on. It goes into general revenue. Do we get it back? For the minister's information I have some quotes from fishing organizations that he would be interested in.

• (1240)

It gets back to the philosophy of the government. It does not understand that we have a spending problem and not a revenue problem. Successive governments over the last 20 years have been overspending, overspending and overspending. What is their answer? Rather than find ways to cut back they go back to people like fishermen and say they need more money off their backs. That is the Liberal way.

What kind of fees are involved? They say the overall average increase in the fees across the board is approximately 400 per cent. I would like to see how the chairman of the committee will get around that when we talk about it. Congratulations to the Liberals; they will ding fishermen across the board 400 per cent in fees. They say the $30 lobster licence will be $310. That ought to please the fellows who are trying to eke out a living.

The government currently gets approximately $13 million from licence fees, and that is going to $63 million. Is there not a way to look at some efficiencies within DFO to get $50 million rather than license or tax fishermen? Is there not a way? Have they looked at that? It is another job for the chairman of the committee that we will be asking about.

When will it happen? The minister says the government will decide on that by the end of September. That is pretty soon. Fishermen can take note that they will get notice of when fees, licences and permits, these taxes, will be increased.

I am surprised on such a big issue that the minister stood for 40 minutes and told us about John Cabot. That was interesting but the people out there are really asking who is getting taxed, how much and when.

What is it for? The minister says they are progressive fees, progressive taxes; that is the larger the catch, the larger the percentage increase. They are based on the ability to pay. That is fair ball, I suppose. They apply to commercial fisheries on both coasts. The government presumes once again that if there is any possible way to tax them it will do it. It does not look at perhaps not spending money here or there.

We only have to look at the minister's own example that he set for his office furnishings, which we complained about in the House. We only have to look at some of his expenditures, like advertising in New York City when he was promoting himself. I wonder where these folks are coming from.

Why do they want to increase fees? Let us see what they say. The Liberals want an additional $50 million on top of the $200 million in current cuts. They say they can get away with cutting $200 million and then go back to the people they will tax and say: "Look, we cut $200 million; you can pay $50 million". Why can they not look for $250 million in cuts? It is there. Starting from the top it is there.

DFO's budget will apparently be decreased to $500 million from $700 million.

• (1245)

I wonder if there is not more. Where is it? We only have to ask the fishermen. They had all kinds of suggestions about where to cut when I sat down with them. The one thing common with the east and west coast fishermen is that they are not asked. They get

the fees, the licences, the permit costs and the taxes but they are not asked where the cuts can come from. Does this sound like the Liberal government? You bet it does.

I talked to employees of DFO who said there are two reasons behind these fee increases. They want more money and they want to reduce the number of fishermen. I said: "If those are your reasons do you have any other alternatives? Is there something you can do other than increase taxes to the fishermen?" I suggested two things which I will suggest here. The answer was they did not think of that. There is a priceless answer. That is a pun to the minister.

What is the impact of these fees? The fees must be paid up front with no instalments. There will be a graduated fee structure. If we have landings of $25,000 worth of catch, the fee is approximately 3 per cent. If we have landings of over $100,000 the fee is approximately 5 per cent, and on it goes. It sounds like the tax structure we are working on today. It is similar to the tax structure we are working on today, therefore it is a tax.

What does the P.E.I. fishermen's association say about it? The money is simply a form of hidden taxation. That is felt right across the country: "It will not even be funnelled back into the fishery but will go into a consolidated revenue fund or general pot that they will blow away". That is the feeling out there.

Can we take money as was done in the case of British Columbia's forestry? Part of the fees from licences and permits goes toward silviculture. If the government has to take money could it not possibly think to put it back into rejuvenating fishing stock?

The government is looking at more fees for service from coast guard services which now comes under DFO, and for scientific investigations. One has to wonder what the methodology is here. This will be another cash cow like most things the government is involved with. It cannot deal with the fact that it is overspending. All it can deal with is it does not have enough revenue, and that is wrong.

There are some alternatives we could provide. DFO should be managed by fishermen and their dependents, the people in the indirect fisheries. Start moving them in, start training them. Get them involved in DFO in Ottawa, on inland waters, on both coasts.

• (1250)

If they get a piece of that administrative action maybe they will influence ministers to help the industry. Right now there is not that interlocking or interfacing. There is the DFO and a number of fishermen, a resource, a tax resource, which is the way they look at it. Therefore why not have the fishermen manage the resource by getting them involved?

If there are problems within the industry many come from UI regulations. Fishermen will tell us that. They understand that. Let us look at UI regulations. We do not have to license the fishing industry again.

There has been much talk about what happens to Newfoundland fishermen and what they do for a future. Many of them suggest the minister might want to look at inshore fishing again on handlining and getting perhaps some of the people in the villages along the shores active again in handlining and reduce the number of larger ships. They talk about that a lot. Whether it can be done, I do not know. Really all they want is to get out, get their lines in and get at it.

If we look at the number of people who could possibly be employed around the villages as opposed to the number of people employed on the larger ships there is a drastic difference. Since fish plants have been shut down on the coast perhaps there could be regional plants. Perhaps the fish caught by handlining could go to regional plants and then to larger plants. That is a possibility but I do not know if it has been looked at.

We are looking at a flat tax system but the tax system has to take into account that there have to be fewer exemptions. Perhaps if the government looked at the tax system and UI system it could come up with better alternatives than to strike larger fees and licences.

The government has to look again at reducing costs. We know the costs are high there and the government knows it. I do not think its mandarins are willing to let it have much more money. I guess the government has to learn to be a little tougher in dealing with the bureaucracy. As the Liberals are listening and whining about what I am saying, there are a lot of senior bureaucrats in that department. There are a lot of expenses. We do get letters outlining where things should be cut. The fishermen tell us and so the minister should look at it.

In the final analysis we have to look at where the Liberals are coming from on bills such as this. Although I compliment the minister on some of the issues within the bill, particularly the conservation areas, I continue to worry about traditional governments. We have thrown out that other party and the country brought in this party. They are traditional parties intent on looking at balancing books by way of taxing more as opposed to cost cutting. They are intent on perpetuating programs like the Conservative program on the moratorium and the TAGS program which was Liberal.

We are looking at a government truly looking backwards to a future. If anything I sincerely wish this committee well because we will be spending a lot of time on this committee. We will be asking a lot of questions of this minister. We sincerely hope he keeps the interests of the fishermen in mind, not the interests of the bureaucrats in Ottawa.

• (1255)

The Acting Speaker (Mr. Kilger): We now enter the next stage of debate on second reading of Bill C–98. Members will have up to 20 minutes for their interventions, subject to 10 minutes of questions and comments.

[*Translation*]

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri–Food, Fisheries and Oceans), Lib.): It goes without saying, Mr. Speaker, that I am delighted to have the opportunity to take part in this debate on the Canada Oceans Act. To address immediately the remarks made by my colleague from the Reform Party, I can assure you that both the minister and the department have the best interests of fishermen and the fisheries community at heart. They have always had and will always do.

This legislation is divided in three very straightforward parts. The first part definess Canada's maritime zones. The second part provides legislative authority to foster a new, wider, forward–looking and more inclusive strategy for Canada's oceans and their resources.

Part III of the bill authorizes a modern departmental mandate—including the merger of the Canadians Coast Guard with the Department of Fisheries and Oceans—as a vital means of carrying through on the Government of Canada's ocean responsibilities.

Each of the three parts of the bill contains three key structural elements. In each part, there are regulatory measures, enforcement measures and operational measures.

And, the legislation has three key objectives. First, the Canada Oceans Act will stake out Canada's clear legal jurisdiction over our oceans. Second, the Canada Oceans Act will put in place the legal framework required to support a new oceans management strategy based on the principles of sustainable development and integrated management. Finally, this act will consolidate and clarify federal responsabilities for managing Canada's oceans.

There are three very simple themes that run throughout the legislation: cooperation, coordination and, of course, broad–based community input. And at the very centre of this bill is the determination of the federal government to lead in a positive, throughtful direction in promoting the economic and environmental potential of the waters in our three great ocean areas—the Atlantic, the Pacific and the Arctic.

Quite simply, this bill seeks to seize the present in order to build upon the achievements of yesterday so that we are prepared for the possibilities of tomorrow.

This summer, the National Advisory Board on Science and Technology issued its major report on Canada's future entitled "Healthy, Wealthy and Wise". The Board wrote that "Sustainability and stewardship must become that watchwords for economic development."

The Board called for integrated strategies that "encourage the environmentally responsible exploitation of resources, consistent with long–term sustainability". That is the very point made by the World Commission on Environment and Development in its United Nations Report eight years ago. That is the very point made at the famous Rio Summit. That is the point made by Canada in our fisheries disputes and negotiations.

• (1300)

That is also the point made in the election Red Book, when we stated that "Integrating economic with environmental goals fits in the Liberal tradition of social investment as sound economic policy".

Of course, Canada's oceans belong to all Canadians and it is up to all Canadians to pull as one to integrate the economic and environmental viability of our oceans. For many, many years, we have come to see the need for a comprehensive and integrated oceans policy. With the introduction of new ocean jurisdiction for Canada, that need becomes greater than ever. And the bill before us will indeed dramatically extend Canada's ocean jurisdiction and rights.

This bill expands Canadian control over nearly five million square kilometres of ocean under Canadian jurisdiction. That's an incredible amount of ocean offering Canadians fantastic potential for new economic development. It is also an incredible amount of responsibility requiring us to get our act together on ocean policy.

The bill clearly defines Canada's maritime zones and Canada's rights and jurisdiction in each of those zones. It incorporates Canada's full jurisdiction over our internal waters and over the territorial sea stretching twelve nautical miles out from our Arctic, Pacific and Atlantic coasts. The bill incorporates Canada's jurisdiction over the continental shelf. I would like to point out that the hon. member of the Reform Party who spoke earlier indicated that, as far as he could see, the nose and tail of the Grand Banks did not seem to be included. This is where Canada's jurisdiction over this zone is asserted by affirming our jurisdiction over the continental shelf.

The bill states the right of Canadians to control exploration and exploitation of minerals and resources of the continental shelf's seabed and in its subsoil. It also confirms full rights for Canada over the shelf's living organisms belonging to sedentary species. This legislation also incorporates Canada's jurisdiction over its fishing zones in the Atlantic, Pacific and Arctic including the Bay of Fundy, near my riding, the Gulf of St. Lawrence, also near my riding, and Queen Charlotte Sound. We first declared those zones to be ours 18 years ago—and they will always be part of Canada's ocean rights.

The Canada Oceans Act will also give Canada a new contiguous zone. In this zone, Canadian immigration laws, customs laws, health laws and fiscal laws will apply. Most importantly of all, the Canada Oceans Act will declare an exclusive economic zone for Canada stretching our 200 nautical miles from our coastline. To understand how significant that is, members of Parliament need only remember that Canada has the world's longest coastline.

In this new exclusive economic zone, Canada will have full rights over the exploration, exploitation, conservation and management of the resources of the ocean waters, the ocean floor and the ocean subsoil. Canadians will have jurisdiction over marine research and the preservation and protection of the marine environment.

• (1305)

Once this bill becomes law, as I fully hope it will, we will have established in Canadian law that Canada has grown in size and jurisdiction. Canadians will become responsible for more than the care of our ten provinces and two territories. We will become the custodians of a large part of the world's ocean treasures.

Canadians have fought with diligence to establish the principle of global fisheries conservation. We have taken some licks along the way but, thanks to the leadership of the Minister of Fisheries and Oceans, we have come out a winner. We now have the duty to turn our same principles into action over all the oceans resources that are coming into Canadian jurisdiction.

Naturally, we will need strong leadership by the federal government. We will need strong leadership from coastal provinces and municipalities. We will need complete involvement of all sectors of ocean stakeholders.

The problem and the possibilities are complex, so much so that Canadians must work together to solve them. The interrelationships of ocean species is so complex that we need to pull together to understand them. The current and potential uses of our oceans are so numerous that we need to guarantee that we work together to make the most of them.

Our individual and collective actions as human beings have important impacts upon the well–being and potential prosperity of the ocean environment. That is why the Canada Oceans Act calls for an ocean strategy founded on the twin principles of sustainable development and integrated management.

The concept of sustainable development is a not a new one but it meets a need Canadians understand very well. Canadians know that we need an oceans policy that embraces sustainable development as one of its guiding principles. The concept of integrated management of ocean resources is a new one but it too meets a need that Canadians understand well.

We know what it means when government polices are confusing or contradictory. We know the opportunities that are lost when the private sector and governments and labour and local communities fail to pursue shared goals. Canadians know that we need an oceans policy that embraces integrated management as one of its guiding principles.

It is time to start coordinating, consolidating and harmonizing our oceans strategy. It is time to develop a common focus and plan of action to promote the quality, abundance and diversity of ocean resources. It is time to set some goals for ourselves and to set some limits on ourselves.

Global environmental concerns should lead us to act. The oceans' economic potential obliges us to act. Canada's new ocean jurisdiction compels us to act. The bill before Parliament gives us the legislative tools to act.

The Canada Oceans Act will establish a clearly identifiable lead federal department accountable for oceans management. The legislation extends Canada's environmental laws to our new ocean areas. The bill will permit the establishment of marine protected areas and the development of marine environmental quality guidelines. These are essential tools if we are to adopt the principles of integrated management and sustainable development in our stewardship of Canada's ocean waters.

• (1310)

The Canada Oceans Act will give the Minister of Fisheries and Oceans formal authority to enter into new partnership agreements in order to pursue Canada's oceans management strategy. That is an essential tool if we are to face the problems and find the solutions together. That is an essential tool if we are to set a national strategy with full local input from coastal provinces and citizens. That is an essential tool if we are to respect the specific priorities of those who live along the coasts of our three vastly different oceans.

This legislation follows through on the government's budgetary promise to "strengthen Canada's capabilities and effectiveness in oceans policy–making". This legislation will set the stage for developing an oceans management strategy that conserves and protects the ocean environment and the ecosystems and resources that our oceans contain.

The bill demonstrates that the federal government will play its full role in managing ocean resources on an economically viable and technologically sustainable basis.

And the legislation demonstrates that the federal government wants more than a one person show. The bill permits an upsurge in the sharing of scientific, environmental and management information relating to our oceans. The bill before Parliament emphasizes the need for an integrated federal approach to ocean management, a need recognized in part through the merger of

the Canadian Coast Guard and the Department of Fisheries and Oceans in April.

The new structure will provide stronger coordination of policy development and stronger, streamlined operations. The coast guard will form the primary civilian marine component of the federal government.

By the way, on the subject of oceans management, on all of the important matters required to build a comprehensive oceans management strategy, the federal government is determined to show a spirit of partnership. Marine safety. Oceans understanding and knowledge. Marine Resources Management. Environmental Management. Economic Development. International Leadership. They are all components of an ocean strategy based on an integrated management approach. They are all components of a strategy based on a sustainable development approach. They are all part of the strategy that the Minister of Fisheries and Oceans invites all Canadians to help create.

The first action required to build a future of maritime greatness for Canada is to declare jurisdiction over our ocean areas. Through this legislation, that is what Parliament will do.

The second action required to build a future of maritime greatness for Canada is to show strong federal leadership in establishing the framework for a new oceans management strategy. Through this legislation, that is what Parliament will do.

• (1315)

The third action required to build a future of maritime greatness for Canada is for all of us, from every sector and every corner of the country, to create a new oceans management strategy together. Through this legislation, that is what Canadians will be in a position to do.

I urge all members of the House of Commons to join in speedy passage of the Canada Oceans Act so that Canadians may join in the urgent task of making Canada an even greater ocean nation.

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I listened carefully to the speech by the secretary of state and hon. member for Beauséjour. I have several questions but I do not know where to start. I will ask two at the same time and, time permitting, I will ask another one later on.

Now for his first comment, and I must say I find it hard to follow the federal government's thinking today. They say they needed this legislation to make the Coast Guard part of the Department of Fisheries and Oceans, although this was already done last spring in the finance minister's February budget. What is going on? Is the department trying to rectify an illegal situation? What was or was not illegal before? I think we could draw quite a few conclusions in that case.

I remember saying in a speech to the Minister of Fisheries at the time that he should consolidate the fleets owned by the Government of Canada. I mentioned the Coast Guard. Their ships could have been included in the same fleet with the Fisheries and Oceans vessels. But there are other fleets as well, so why the piecemeal approach?

Once again, the left hand does not know what the right hand is doing. As far as the ships of the Department of the Environment are concerned, why did they not look at the kind of work involved, since in this bill, for all practical purposes, the minister will have the authority to set environmental standards for oceans?

What does the Department of the Environment intend to do? I was told there were a number of ships, so what are they going to do with them? Why did they not consider integrating all this?

My point is there is still room for improving the bill. The Department of National Defence has ships as well. Why did the government not consider some kind of plan or strategy in which these ships could be used, and I am thinking of the quite spectacular operations we saw last spring?

In any case, I am glad that was done. However, why does the government not take advantage of this experience to consider a system for integrating these ships?

That is one point I wanted to make. As for part III of the bill, I already mentioned two departments that were not consulted. What is going on? I wish the secretary of state would tell us. Where are they headed and do they really intend to merge? Good, I see some messages coming. Do they really intend to merge or is this just a lot of smoke and mirrors?

I repeat, the Coast Guard fleet has been under the jurisdiction of the Minister of Fisheries since the spring budget. I would like to put a question to the secretary of state, who may be able to remove this perception I have that the bill is improvised, that the government is going a little too fast and has not finished its consultations, starting with the parliamentarians in their own party.

• (1320)

I would like to draw the secretary of state's attention back to clause 54. In formulating this bill, they are already including conditional amendments in clause 54, which provides: "If Bill C–84, introduced during—the thirty–fifth Parliament—is assented to, then—". Should I read the whole thing? We are told that this bill will have consequences, and given that, attention will have to be paid to this and to that.

Bill C–98 involves regulations, and must be able to accommodate other existing regulations and legislation. But we already have C–84, which is in the process of changing it. They could not even agree among themselves to wait for C–84 to be drafted.

In connection with this, I would like to mention another doubt. I will read you subclause 54(3): "Any fee fixed under this Act shall stand permanently referred to a committee described in section 25 of the Regulations Act to be scrutinized as if it were a regulation".

I would like to direct a question to the secretary of state to at least start getting rid of our perception that the thing is improvised. Can he tell us who will form the committee? Does he already have the answers this morning? There are a whole bunch of amendments, but I would at least like to know whether he has had time to read the bill to the end and ask these questions and whether he got an answer from an official somewhere. We did not.

Mr. Robichaud: Mr. Speaker, I thank the hon. member for Gaspé for all these questions he would like to see answered like any self–respecting opposition member or critic. I think that the minister answered some of his questions in his speech, but he also urged members, especially those on the Standing Committee on Fisheries, to which this bill will be referred, to feel free to ask questions and search for answers.

I am happy to see that the hon. member sees the advisability of merging the Fisheries and Oceans fleet with that of the coast guard. He also asked why the Canadian forces fleet was not included and he referred to last spring's turbot war. The hon. member must know that the three fleets he mentioned were all called upon at the time and worked together in a joint operation to make foreign fleets, and one in particular, realize that Canada is serious about conservation.

I think the hon. member will agree with me that, by pooling our resources, we succeeded in getting our message across and convincing the rest of the world, and all fishing nations, that Canada is serious about conserving ocean resources and focusing attention on the problem.

• (1325)

In this regard, I must say that if we succeeded in conveying to the world that the minister acted decisively, it is because the minister represented in an effective way the aspirations of those who want Canada to focus on conservation. All the political parties in this House and across Canada gave us the support we needed to do so.

I take this opportunity to thank all those who supported this effort. If we are talking about this bill respecting the oceans of Canada, it is to give the minister of fisheries the authority he needs to watch over ocean resources by putting in place policies and programs aimed at protecting these resources for all of Canada.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I am pleased to address Bill C–98. This morning, the hon. member for Gaspé explained at length why we will oppose this legislation. I want to elaborate on the environmental aspects of the bill, that is the environment minister's responsibilities under the proposed legislation.

This legislation gives exceptional powers to Fisheries and Oceans, but these powers already belong to the Department of the Environment. This is yet another example of overlap between two departments and it is a real concern to see how there is no true agreement or harmonization at the federal level. I cannot help but wonder why the minister did not tell environment critics about this bill? Why is it that we were not informed of that legislation? How come we did not even hear about it in committee?

When a bill has such an impact on a department like the environment department, we have to be able to look at it and make sure that it does not create more overlap. Let us not forget that the Department of the Environment lost one third of its personnel and one third of its budget following the government's drastic cuts. Consequently, this whole situation is a real source of concern.

The bill seems to establish a sectoral environment department: the department of coastal environment. If each department did that, we would end up with an environment transport department, an environment industry department, and all the government's ministers would have powers regarding environmental protection and preservation.

If this is the way this government wants to go, then we should abolish the environment department, because it will become useless in Parliament.

We hear a lot of nice rhetoric, speeches and commitments about the environment, but not much is actually done to protect it. There is still a lot of work to do. This is a vital issue; our future and that of our children is at stake. When I see how the government treats this issue so lightly, seemingly attaching little importance to it, I become very concerned about the future of Canada, Quebec and in fact the whole world.

When it comes to the environment, the government's tendency is to centralize powers in Ottawa for the sake of national interest. This is also a real concern, considering that environmental problems are of a global nature.

Let me read you two clauses which are rather preoccupying. Clauses 28 to 36 of the bill deal with the implementation of a strategy for the management of estuarine, coastal and marine ecosystems.

• (1330)

This part does not apply to the lakes and rivers. In large part, management of those ecosystems is a provincial responsibility.

We on this side of the House have one other concern, that this act could allow the department to again interfere in provincial jurisdictions, particularly with respect to the environment. It puts provincial ministers on an equal footing with any other interested persons or bodies. It is very important for us to know what an interested person or body is.

This means that an individual might come to express his personal views. Will importance really be attached to that individual? God only knows. The environmental groups will be able to have their say and provincial ministers of the environment will be considered on the same footing as any individual coming to make a representation. This makes absolutely no sense. There is constant talk of partnership, harmonization, sustainable development, protecting our ecosystem, but I do not consider that to be a partnership. I would call it a source of conflict.

A situation of conflict will be created with the provinces, perhaps even with the municipalities. With this bill the interference could reach as far as the municipal level. In other words, if the minister decides he is not satisfied with a municipality's waste water treatment system whose effluents go into a river or a lake, which in turn release their waters into the ocean, he can say: "Change all your waste water treatment systems, because they are not up to our standards and affect the fish in our oceans."

I think the government is getting into jurisdictions that are already very much protected and work very well. I fail to see why the minister should have additional authority over areas we have been managing for years and that have been managed by the municipalities which are already supervised by the provinces. We do not need federal supervision on top of that. It is very disturbing that this bill gives no indication that the municipalities will be consulted as well. The government says it has the right to assume that authority.

We believe it is necessary to clearly identify an oceans management strategy—this is extremely important—but this strategy should be effective and not a source of conflict. The provinces should be made part of the decision–making process leading up to the formulation of the strategy. The minister should go back to the drawing board and table a strategy that specifies the responsibilities of all partners involved, without creating further overlap between federal and provincial departments. We have said this repeatedly here in the House, and I do not know whether anyone is listening, but it tends to be forgotten. Not only forgotten but ignored.

I would like to say a few words about something that concerns the Department of Fisheries and Oceans and the Department of the Environment and the conflict situation we had this summer. If they cannot avoid a conflict between departments at the federal level, imagine what it will be like when we get to the provinces and the municipalities. This makes no sense at all. The government could never enforce a decent piece of legislation. There is no way.

This summer we had the experience with the *Irving Whale*. The environment minister made a decision that we did not support, which was extremely risky and kept the people of the Magdalen Islands on edge all summer, and I must say I felt like that myself. The Minister of Fisheries and Oceans is now in charge of the case. Is it because the minister did not do her job? I wonder.

And now we have a similar situation. In the case of the *Irving Whale* last summer, work was suspended because the courts made that decision. The minister had announced publicly and to the media that she would decide Monday morning whether she would stop the work or not.

• (1335)

The same day, the Minister of Fisheries and Oceans was also telling the media that, definitely, no decision would be made; that the decision would be made on Friday and the ship would be raised on Friday. Is this not departmental conflict? Who is not doing their job?

We do not need situations like this, and, moreover, when they involve danger, as in the case of the *Irving Whale*, we cannot make decisions just so we can be in the limelight or in the news or so we look good. We have to make logical decisions. We have to make environmental decisions, even if the cost is greater, because the risks of environmental dangers are high. We know very well that PCBs are getting into the ocean and that they will be around for hundreds and hundreds of years to come. We are destroying our marine ecosystem. We have to stop this sort of thing in areas that are as important as the environment.

Throughout the entire process, the minister is under no legal obligation to agree with other federal or provincial departments. In most cases, he may, if he wishes, ask for help from other authorities. It is both unacceptable and inconceivable that the minister does not have to work with the officials of the Department of the Environment, in particular, and with other departments, in general. There must not be any dictatorship. You cannot arrive in a department and declare that you are going to run the whole show. This sort of thing has to be done with harmony, but up to now I have seen no sign of harmonization in this House. I have never seen any. So imagine what it will be like when we run into conflict.

With positions being cut and some restraint to be exercised in public spending, the minister is creating duplication right within the federal government. What is more, the new powers of the Minister of Fisheries and Oceans are not exclusive, because they are not taking away from powers already in the hands of other ministers and stakeholders. So we may well see competition and overlap in connection with the standards and fines to be applied, priorities and the approaches taken.

Last year, on the Standing Committee on the Environment and Sustainable Development, we worked for a year revising the Canadian Environmental Protection Act, CEPA. While reviewing this law, we realized on several occasions that there were many problems and that it overlapped a lot with the Fisheries Act.

How come the minister, who I think is not yet aware of this fact otherwise she would have answered us or she would have told us in committee what she knew about this report, has not read the report and made a decision yet? How do you explain the fact that the minister of fisheries has now come up with a bill after the Standing Committee on the Environment and Sustainable Development worked on this issue for a year and gave the minister constructive suggestions regarding the environment? Why is the Minister of Fisheries and Oceans doing her job? I do not understand; this is not clear at all in my head.

I am asking the Minister of the Environment to keep party politics out of this department, which is, in my opinion, the most important department here in this Parliament. This department should not be partisan. It should always focus on the ecosystem, on sustainable development. It should always make decisions for the future of our children, of Canada, of Quebec, and not partisan decisions.

I would like to conclude my remarks by mentioning that a sovereign Quebec would give priority to the environment. If you ask Quebecers what importance they give the environment, they will give it top priority after health because they are aware that, if the environment is not protected, we will have no future. We will have no drinking water.

• (1340)

Sure, we will always have problems but we must give priority to environmental issues. In this regard, the minister simply did not do her homework. She should go back and do her homework. I would like to see Bill C–98 referred to the environment committee. You would see that there would be many proposed amendments to this bill.

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, Canada's motto is *a mari usque ad mare*, from sea to sea. It may be that Bloc members are upset because the title of the bill before us is an Act respecting "the" oceans of Canada. Had we used the singular, Bloc members might be happier today.

Canada is bordered by the Pacific ocean, which gives us access to all sorts of foreign markets. It is important that Parliament pass the act respecting "the" oceans as quickly as possible. No, that legislation should certainly not be postponed to a later date.

As you know, some people always want to postpone everything. In the last few days, we even heard some say that the referendum should be postponed. The fact is that the referendum date must not be postponed, and nor should the review of the Oceans Act. We must put an end to uncertainty and we must do so in the best interests of Canada. As the hon. member for Laurentides just mentioned, we must make the best possible decisions for the future of both Canada and Quebec. This is why we are here.

Federal–provincial considerations are a major component of this bill. Earlier, the member for Laurentides said that the proposed partnership agreements could be a source of conflict. It goes without saying that if you want to separate, partnership agreements are indeed very difficult to implement and can lead to conflict. However, if we want to get along, co–operate and reach agreements, anything is possible and partnership is definitely the best option for Canada today.

I want to ask a question to the member for Laurentides, regarding federal–provincial relations. Does the hon. member know that the act allows for the implementation of guidelines on the quality of the marine environment, as well as—and I want to overlook her comments on the sources of conflict—the reaching of partnership agreements with other interested persons or groups? Is the hon. member for Laurentides aware of the importance of federal–provincial relations in that regard?

Mrs. Guay: Mr. Speaker, once again I have a flagrant example of the member for Brome—Missisquoi's using environmental issues for reasons of petty partisan politics. Nothing surprising about that; that is his usual way of doing things.

Yes, there will be a referendum in Quebec, and it has nothing at all to do with this bill. We are talking about a statute. Here in this House today the Minister also has made a highly patriotic speech, and when such questions are asked, do not try to tell me that the problem of an unworkable bill will be solved. Not in the least.

I have not spoken of the referendum, I have spoken of a bill that we feel is unworkable. It will not work between departments and it will cause conflicts between federal departments. Imagine what will happen when it gets down to the provincial level. What we have here is a bill that needs to be redone. It has been badly drafted.

• (1345)

The Minister of Fisheries and Oceans has given himself all sorts of powers not even within his jurisdiction. This should be handled by Environment.

I strongly believe that the member for Brome—Missisquoi should study the environment a little more. It could not do any harm. Second, this is not a matter for partisan politics but truly a matter in which there are problems, one that is unclear, that has been dumped on the House and is unfamiliar to us, this Bill C–98. I reiterate my demand that it be studied in the Department of the Environment, so that we can find out where it is headed. Let the Minister of the Environment do her homework for once and let her ensure that decisions affecting the Department of the Environment are made in conjunction with her department. When true environmental decisions are involved, let it be the Minister of the Environment who makes those decisions, and not the Minister of Fisheries and Oceans. It is Environment that

possesses the environmental expertise, not Fisheries and Oceans.

This is totally senseless. Why dump one's duties onto someone else? This is totally senseless. We are prepared, our consciousness is raised, very much so I believe, we are prepared to address this matter, to look at what can be done to ensure that it heads in the right direction, but not this way.

[*English*]

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I would like to address some of the concerns of the hon. member.

Some of the points she has made about the environment are very important. I have made these points in the past about how important the environment is, how important it is for our future generations.

I know she is concerned about the environment. I know that when she has an opportunity to really have a close look at this bill she will understand that it is very important for the environment. I know she is concerned about the duties of the Minister of the Environment. I can assure her that the Minister of the Environment would be willing to bring forward new ideas if she thought this in any way would impede upon her work as the Minister of the Environment.

This bill will in fact create more opportunities for our coastal communities. Contrary to what the hon. member says, this will have no effect on provincial rights. In fact this approach is an integrated approach. The National Advisory Board on Science and Technology recommended this. It looked at it. We have to heed some of those recommendations. As we are often told by members on the opposite side, we as the government have to listen to some of the advisory boards we have. Should we reject what the National Advisory Board on Science and Technology said when it said we need an integrated approach, we need a better approach? I know she will want to support the idea of putting in protected marine areas.

The Acting Speaker (Mr. Kilger): I wonder if I might ask the parliamentary secretary for clarification. Following the intervention of the hon. member for Laurentides we were on questions and comments and not on debate. I wonder if he could clarify if he is engaging in debate or question and comment.

Mr. Dhaliwal: I am going to proceed to my question, Mr. Speaker.

The hon. member has noted how important the environment is. I agree with her that the fundamentals of the bill talk about sustainable environment, about protected marine areas and about managing our ecosystem. Are they not important for the environment, as she has said?

[*Translation*]

Mrs. Guay: Mr. Speaker, I realize that my time is running out. The secretary of state for fisheries and oceans said there was no likelihood of interference with provincial jurisdictions. But I have here a short text that says that the main source of contamination in coastal areas is not disposal at sea but urban waste water, urban and agricultural run–off, industrial waste, urban waste, uncontrolled dumping and erosion.

This bill will open the door wide to interference in jurisdictions that are provincial and municipal as well.

• (1350)

If the government starts creating conflict situations—and I refer not only to Quebec, but to provinces like New Brunswick and British Columbia that are already concerned, want to protect their coastal areas and their fisheries and say they want more powers in this area—if the government starts interfering again, the result will be chaos. The environment does not need that.

I think anyone who, like the parliamentary secretary, is concerned about the environment should realize that we do not need further concentration of powers in Ottawa but more powers for the provinces which are closer to their ecosystems than the federal government and could play a far more important role than they do at the present time by assuming all authority over this area.

[*English*]

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is my pleasure to support Bill C–98, the Canadian Oceans Act. The provisions contained in the legislation will be of tremendous benefit to all Canadians. Most especially, they will bring new opportunity to those Canadians who live and work in our coastal regions. It is this economic opportunity I wish to focus on today.

Canada is such a large country that it is easy to overlook the fact that Canada is one of the world's great maritime nations. Our shores are bordered by three oceans: the Arctic, the Atlantic, and the Pacific. Our coastline is the longest in the world. We have the world's largest archipelago, the world's longest inland waterway, and the world's second–largest continental shelf.

All this is about to get bigger in terms of doing a lot more out to the 200–mile limit. Under the terms of the 1992 United Nations convention on the law of the sea, which came into force in November last year, Canada can turn its 200–mile fishing zone into a 200–mile exclusive economic zone. This gives us the right to extend Canadian economic environmental jurisdiction

over almost five million square kilometres of coastal and ocean territory. The result is oceans of opportunity: opportunity to better protect our oceans' fragile resources, opportunity to strengthen our historic fisheries, and opportunity to channel creative energy towards a new ocean industry that can enhance the economic potential of our coastal communities.

This is an opportunity our government recognized as essential for our future, and it is an opportunity our government intends to act upon to secure jobs and economic growth for all Canadians.

For centuries the wealth of our oceans has sustained hundreds of communities, large and small, all along our Pacific, Atlantic, and Arctic coasts. In each region an entire culture and identity has been built around the exploitation of our ocean resources and maritime economy, especially around the three pillars of fishing, transportation, and tourism. However, in recent years these traditional activities have been supplemented by an increasing variety of new ocean–related industries, each with its own success story.

For instance, with our world demand for protein from fish on the rise, aquaculture has become one of the fastest growing industries in Canada. With successful operations on both our east and west coasts, aquaculture revenues reached $280 million in 1993.

At the same time, firms such as Geo–Resources, International Submarine Engineering, and others are leading the way in developing and applying high technology to oceans management and exploration. In Atlantic, Pacific, and central Canada, firms specializing in remote sensing, computerized geographic imaging, cold water technology, offshore and coastal engineering, and new sectors are creating thriving new enterprises capable of competing in the changing global marketplace.

• (1355)

Furthermore, we are now realizing the promise of ocean energy exploration and development. After years of patience and investment, the Cohasset oil field to the southeast of Nova Scotia came onstream in June 1992. The giant Hibernia oil field off the coast of Newfoundland is scheduled to go into commercial production in 1997. Just this year, there have been new discoveries in Newfoundland itself.

These are all positive developments. What is more, they come not a moment too soon. Canadians cannot escape the fact that our oceans are under increasing stress from such factors as overfishing, marine and land based sources of pollution, and longer term phenomena such as global warming.

The collapse of our Atlantic groundfish industry has left some 40,000 Canadians out of work. While lobster, crab, and scallop fisheries are prospering, the Pacific salmon fishery is requiring closer and more careful management than ever.

Clearly it is time to protect our marine environment and further diversify our marine economies. Our government has recognized both of these needs and we are taking action. We have acted in the international arena to strengthen the protection of straddling and highly migratory stocks. We have taken strong international action against overfishing and we are strictly enforcing fishing moratoriums on commercial fish stocks to give these resources a chance to rebuild.

These are just first steps. We need to back these up with an integrated and comprehensive approach to ocean management that emphasizes environmental conservation as its first priority. We need to accelerate and develop our ocean industry strategies so that our coastal economies will be able to diversify and prosper in the new global economy.

The Speaker: My colleague, it goes without saying that you will have the floor immediately following question period.

It being 2 p.m., we will go to statements by members.

STATEMENTS BY MEMBERS

[*English*]

MUNICIPAL GOVERNMENT

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, as Canadians we have always prided ourselves on having three levels of government: federal, provincial and territorial, and municipal. In my opinion, and I am sure in the opinion of many members of the House, municipal governments have not been given the national recognition they deserve. In Canada we are very fortunate to live in a nation where municipal governments work toward providing decent standards of every day life.

Today we welcome the 36 reeves and the staff of Renfrew county council. They held the first ever county council meeting on Parliament Hill. I invited them here to hold one of their regular sessions as a gesture of appreciation for their work and to remind all Canadian citizens of the importance of their individual municipal governments.

Let us move ahead with a united Canada and a continued dedication by all levels of government.

[*Translation*]

INTERGOVERNMENTAL AFFAIRS

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the Minister of Intergovernmental Affairs said yesterday in Sherbrooke: "After October 30, we will offer Quebec various arrangements in many areas". What kind of arrangements is he referring to? What miraculous offer would the federal government, which stubbornly refused to go along with the unanimous consensus among Quebec stakeholders on the manpower training issue, extend to us? Why did this government so abruptly shut down the military college in Saint-Jean last year, if Ottawa is prepared to offer a compromise solution after October 30?

Is the ax that will fall on the unemployed after October 30 included in these arrangements? The people of Quebec want to know why the Prime Minister of Canada wants to "clobber them" before announcing his proposed compromises. It seems obvious to me that this government is confusing compromise with revenge.

* * *

[*English*]

UN CONFERENCE ON WOMEN

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, equality, democracy and peace were the themes of the fourth UN conference on women recently held in Beijing. Just what was advanced by our Canadian delegation? Not equality but gender equality that put feminist issues above all other considerations in government policy and direction and called for a social revolution based on a new definition of gender, affirmative action and sexual and reproductive rights.

Not equality, but a blatant refusal to speak against the most basic human rights abuses. That our minister would declare no problem after counting an equal number of heads in a preschool is an insult to the sensibilities of Canadians.

Not democracy, as our delegation put forward a token representation of MPs, senators and academics. Instead Canadians were represented by bureaucrats with no accountability for policies that had no public input. Not peace, but division with over 500 actions to be taken by the government. This agenda will drive a wedge between women and men, families, religion and custom.

Canada's position at this conference was nothing but a sham.

* * *

GOVERNMENT CONTRACTS

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the Canadian van line owners are very distressed about a new tendering process that has been put forward by the Department of National Defence which will radically change how government contracts out moving services in Canada.

The present tendering system ensures each local or regional moving company shares in the winning contracts by matching the lowest bid, thus everyone gets a piece of the pie. The new proposed tendering process will allow one bidder to take all, with tenders open to anyone in any country, thus creating a monopoly.

If allowed to proceed, this new moving tendering process could destroy much of Canada's moving industry. Atlantic Canada will lose approximately 2,500 jobs.

Atlantic Canada cannot afford to lose any more. I ask the government to stop this proposed new tendering process before jobs are lost and an industry is destroyed.

* * *

[*Translation*]

GENERAL MOTORS PLACE

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I have the pleasure to announce the opening of General Motors Place, in my riding of Vancouver East.

[*English*]

Last week international recording superstar Bryan Adams, a Vancouverite, opened GM Place. Home of the Vancouver Canucks and the Vancouver Grizzlies, General Motors Place is the most highly advanced sports and entertainment complex in North America.

General Motors Place is truly the eighth wonder of the world, with excellent viewing, luxurious seating for 20,000 and state of the art sound. GM Place has one of three diamond vision scoreboards in North America. With four giant video boards, it offers the highest resolution colour technology in the world.

[*Translation*]

General Motors Place has already created 250 jobs and will soon create another 1,000 full and part time jobs. GM Place was completed in 20 months and immediately became one of Vancouver's largest and most important buildings.

The people of Vancouver are pleased to be able to count on entrepreneurs like Arthur Griffiths, John Mcaw and Orca Bay Sports and Entertainment, who gave them a great building like GM Place.

Congratulations to all.

[*English*]

BILL C–68

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, when constituents write to members of the House they do not write without meaning. They write with passion, with reason and frequently with pain.

Recently a woman from a Toronto women's centre wrote to an hon. member of the other place to voice her support for Bill C–68. In her letter she pointed out gun related violence adds $70 million a year to Canada's health care bill.

That person responded by saying the firearms industry is worth more than $1 billion per year to the Canadian economy and that the GST alone ought to cover the health care costs.

At what level do we value a bullet over an arm or a leg? At what level do we value a trigger over a breath? At what level do we value a barrel of a gun over the life of a daughter or a son?

Bill C–68 is not based on economic gain. It is based on the value of life, the value of Canadians and the value of a country which is not rooted in a culture of violence or a culture of guns.

* * *

UN CONFERENCE ON WOMEN

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the fourth world conference on women has recently concluded with the ratification of a solid agenda for the equality and advancement of women within the United Nations.

In a great spirit of co–operation between 180 nations, a general agreement on the platform for action was reached in an effort to achieve social, political and economic equality for women around the world.

• (1405)

This agreement includes the protection of women from violence in the home and in society, women's rights as human rights, freedom of expression, equal rights to female children, control over our health, alleviation of poverty and improvements to education.

Canada was instrumental in the negotiation process and in bringing about the ratification of a progressive platform for action.

I commend the leadership of the secretary of state responsible for the status of women and I applaud the work and contributions of all the women from across Canada who represented our country so successfully.

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, these past few days, Quebecers have had a foretaste of the arrogant and contemptuous tone the federalist side intends to use throughout the referendum campaign. When federalist spokespersons are not calling politicians elected by the people of Quebec traitors, they believe they have been vested with the mission of crushing once and for all any resistance from Quebec.

The No side uses a mean and arrogant tone that reveals their desire to crush and clobber their opponents. They think that, if they are defeated, the claims, ideas and hopes they represent will disappear with them.

As Lise Bissonnette wrote this morning in *Le Devoir*, the real strategist of the No side, the Prime Minister, has always wanted to put an end to Quebec's claims, hence the War Measures Act, the fight against Bill 101, the 1982 Constitution, the opposition to even the slightest demands of Quebec in the Meech Lake Accord and, now, the refusal to make any offer to Quebec. For the Prime Minister, even moderate nationalism, as practised by Robert Bourassa, Claude Ryan and even Daniel Johnson, is to be knocked down and crushed.

* * *

[*English*]

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, on August 24 the Saskatchewan Chiefs of Police Association reported that 100 per cent of the chiefs of police in that province are opposed to the planned gun registry. On August 22, I released the results of a survey showing that 91 per cent of RCMP officers in Saskatchewan are also opposed to the registration system. Last week a similar survey in Alberta showed that 85 per cent of RCMP officers opposed it.

With such overwhelming opposition from police chiefs and police on the street how can the justice minister still claim he is bringing in the firearm registration system because police are requesting it?

Between December 1994 and July 1995 Environics reported that support for a law requiring all firearms to be registered had dropped from 90 per cent to just 60 per cent. Public opinion polls show support for Bill C–68 dropping like a spent bullet. By the time the Senate is done reviewing it support will be below 50 per cent. How far does support for his bogus bill have to drop before the justice—

The Speaker: The hon. member for Winnipeg Transcona.

S. O. 31

EMPLOYMENT

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, it appears from a presentation made to the program review committee on the human resources investment fund by the Minister of Human Resources Development that the government strategy is to prepare Canadians for the transition to a low wage economy.

The government is now talking about making targeted earnings supplements of a few thousand dollars for a year or so to encourage or coerce, as the case may be, unemployed high wage earners into accepting lower paid jobs.

The Liberals say they want to help workers adjust financially and psychologically to the new situation. What the Liberals are really saying to a lot of Canadians is: "Welcome to the post–NAFTA low wage economy where your children, no matter how much education they receive, should not expect to have the same standard of living as you".

Canadian wages are being driven to the bottom as part of the multinational corporate agenda which the Liberals are capitulating to at the same time as they attack the social wage of these same Canadians. This is not what the Liberals promised in 1993. They lied about free trade and now they are preparing Canadians to adjust to the way free trade—

Some hon. members: Oh, oh.

The Speaker: It is always better for us to be prudent in the language we use. In this context the word "lied" was not directed at any one member. I hope this term will not be used in the House.

The hon. member for Carleton—Gloucester.

* * *

CANADIAN UNITY

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I am proud to rise in the House today to share a message of Canadian unity from a constituent of my riding, Mr. David Austin St–Amour.

[*Translation*]

Austin Saint–Amour is a singer–songwriter as well as a pilot in his own helicopter business. Combining his talents, he conveys the message of Canadian unity in a song and video entitled "*Envolons–nous ensemble—Let's keep flying together*".

• (1410)

[*English*]

Mr. Austin St–Amour combines Canada's beautiful scenery with a simple message through a song of pride and love for our country to create a powerful message of Canadian unity.

[*Translation*]

Like him, let us be proud to show our love for our country. Long live our united Canada.

* * *

SOCIÉTÉ SAINT–JEAN–BAPTISTE OF SHERBROOKE

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, Saturday night in Orford, in the beautiful riding of Brome—Missisquoi, where in a by–election held almost nine months ago voters said No to separation, the Governor General of Canada, the Hon. Roméo LeBlanc, became an honourary member of the Société Saint–Jean–Baptiste of the Diocese of Sherbrooke.

In fact, as the Director General of the Société, Marcel Bureau, told me, "Our Société Saint–Jean–Baptiste is federalist. The pride we have always felt as Quebecers never prevented us from being deeply attached to Canada".

Members of the Société Saint–Jean–Baptiste of Sherbrooke are proud to be both Canadians and Quebecers. Mr. Bureau, on behalf of all Canadians represented in this House, I take my hat off to you.

* * *

FRENCH LANGUAGE

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, today, most major daily newspapers in Quebec feature advertisements bought and paid for by the Quebec sovereignty council about the future of the French language after the referendum.

As could be expected, the sovereignty council predicts a very dark future for the French language should the No side win, but wonderful days ahead should the Yes side win.

Last week, the BQ member for Rimouski—Témiscouata dispensed the same medicine to francophones outside Quebec, and I quote: "You should realize that a No vote in Quebec would spell the end of French Canada both within and outside Quebec". The French language is alive and well within Canada and will remain so after October 30, because Quebecers will say No to those who have nothing to offer but fear and threats.

* * *

OLD AGE PENSIONS

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Mr. Speaker, "You have your pensions and you will keep them". That comment was made yesterday to a group of seniors by the Minister of Foreign Affairs. Should these people rest assured following that statement? No, Mr. Speaker, because the minister did not dare tell them the whole truth concerning old age pensions. The minister did not mention that the last budget contains this statement, and I quote: "Later this year, a paper on

the changes required in the public pension system will be released".

Who can deny that the government intends to bring in changes? Moreover, the minister refused to tell these seniors whether the amount of old age pensions and the eligibility levels would be maintained. Misinformation and manipulation, this is what the minister's statement is all about. Seniors want to know the truth. They want to know before the referendum what Ottawa has in store for them.

* * *

QUEBEC REFERENDUM

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, a no vote does not mean status quo. A no vote means that Quebec will co–operate with all the other provinces to give a better federation to Canadians from every region.

Just like a good chess player plans his moves, we urge Quebecers to look at their situation before the referendum and to give serious thought to what will happen after they have voted no.

We give Quebecers the best possible reason to vote no, that is a combination of all the benefits of Canadian unity, along with a mandate to reduce the federal government's powers. We believe that these powers should rest more closely with Canadians and that Ottawa must stop monopolizing them.

Again, Mr. Speaker, a no vote does not mean the status quo.

* * *

REFERENDUM CAMPAIGN

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, Bloc members are resorting to the scaremongering tactics of Quebec's separatists.

Indeed, we learned that the Bloc member for La Prairie began using such tactics on the elderly as early as last March.

• (1415)

In an interview with the weekly *Le Reflet régional*, the Bloc member said: "It is not Quebec's sovereignty which threatens the income of seniors; the danger for old age pensions comes from the federal government. Such is the price to be paid if we vote no at the next referendum".

These comments by a member of Parliament are both irresponsible and shameful. They also show the weakness of the separatists' arguments. Stop using such silly scaremongering tactics. Quebecers are not interested in separating and they will vote no on October 30.

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, yesterday the Minister of Human Resources Development tried to play down the existence and importance of a document from his office dealing with his proposals for unemployment insurance reform.

This morning, the official opposition released a letter from the Canadian Labour Congress which shows that Canada's labour unions are taking very seriously the threat to the unemployment insurance system represented by the minister's reform. The CLC sent its members an analysis of the devastating repercussions of the new cuts in unemployment insurance being prepared by the minister.

My question is directed to the Prime Minister. Instead of putting his tape on replay, would he admit that the new cuts his government has decided to postpone after the referendum will have the effect of denying two out of every three unemployed workers access to unemployment insurance?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the statement made by the Leader of the Opposition is not true. We do not intend to do as he claims.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I think the Prime Minister and the government are playing down the apprehensions and concerns we are seeing in labour circles across Canada, not just in Quebec. This time, the alarm was sounded by the Canadian Labour Congress which represents all unions in Canada.

I want to ask him whether he would confirm an analysis by the CLC which says that the new cuts in unemployment insurance will come down hard on seasonal and part time workers who will have to work twice as many hours for twice as many weeks to be eligible for reduced benefits. Does the government want to crush them as well?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I said to the Leader of the Opposition yesterday, we have had a chance to discuss this for months. A green paper on the subject was tabled a year ago. We have consulted with the committees of the House of Commons, the public, the Canadian Labour Congress and many other institutions. Representations are being made, and ultimately we will have a bill that will be tabled in Parliament. As in the case of every other bill, there will probably be amendments, and these will be either supported or rejected by hon. members. And we will know the result at that time.

What we are trying to do? We are trying to make sure that the reforms we need in Canada will give workers access to jobs. Everyone wants us to make changes in the unemployment insurance system. We clearly identified these in the budget, we have been discussing them for a year and a half here in the House, and in time reforms will be introduced. The minister is still working on his bill, and in November or December the Leader of the Opposition, provided he is still in the House, will have an opportunity to raise any questions he wants and make any appropriate suggestions, and the government will consider these before the final vote on the bill.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, first of all, whether or not the Leader of the Opposition will still be in the House is not up to him.

Some hon. members: Hear, hear.

Mr. Bouchard: Second, the reason we have these never ending debates on unemployment insurance reform is that the government does not have the courage to table its reform proposals, and people are concerned because of these documents from the minister's office—and he did not deny that; he admitted it was true—announcing horrendous cuts.

Would the Prime Minister have the courage to tell us today that he will table the reform before the Quebec referendum?

• (1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we will table what should be tabled in Parliament when the reform is ready. The Leader of the Opposition is trying to scare everyone. Unemployment insurance reform will apply to all Canadians, not just to Quebecers.

Now the opposition is trying to scare people. This morning they said senior citizens were in trouble. They are trying to scare Quebecers on the language issue. The opposition's scaremongering continues. We are getting one scare a day. We have 34 days left, so we can expect 34 more during that time.

I simply want to say that we will keep doing what we have decided to do, which is to act responsibly as the government of this country, provide for good government, put the country on a sound financial footing and create jobs to restore the dignity of workers in our society. It is by providing good government for the people of Quebec that we will make them very happy to vote for Canada on October 30, by voting No to separation.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, listening to the Prime Minister talk of a campaign of terror is a bit like hearing the bogey man accusing someone else of being scary, or the pot calling the kettle black.

An hon. member: Something he knows all about.

Some hon. members: Hear, hear.

Mr. Gauthier: To the man who has made the threats of the bogey man his stock in trade, the Canadian Labour Congress analysis—not the analysis by the Bloc, although it does reach the same conclusions—says that "the main tools are training vouchers, training loans, wage subsidies, income supplements and daycare vouchers. These new approaches to program delivery will enable the federal government to bypass the provinces and deal with individuals directly".

My question is for the Prime Minister. Does he acknowledge that the Canadian Labour Congress analysis confirms his government's intentions, the federal government's intentions, to interfere even more in the areas over which the government of Quebec has exclusive jurisdiction, in total disregard of the consensus that exists throughout Quebec?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we have to begin by asking the hon. member to stop for a moment and ask himself about what he has been saying. He has taken a piece of paper prepared by the Canadian Labour Congress speculating on what it thinks might be some time in the future the proposals of the federal government and now declares that to be the reform.

I deny totally the kind of conclusions the Canadian Labour Congress has put forward because frankly it does not know what it is talking about.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it will be noted that the Minister has referred to the analysis of a document originating with his office which he refuses to table before this House. He ought perhaps to remember that. This report also states that the objectives of the human resources development fund are fairly clear, namely to establish a program structure and a system of implementation which eliminate any need for provincial consent or participation.

Will he acknowledge that, if he is deliberately putting off tabling his human resources reform, his unemployment insurance reform, the reason is that it comes down so terribly hard upon the unemployed, because it invades as never before the areas over which the government of Quebec has jurisdiction, and because this would be the price Quebecers would have to pay for a no in the referendum, if ever they should vote no and allow the minister to do as he pleases?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, in listening to the hon. member, there must be a new slogan for the Bloc Quebecois which is, separation by words of desperation.

The reality is that once again the hon. member is making a fundamental fallacy. He is taking conclusions from the Canadian Labour Congress. It may be that the Canadian Labour Congress wants to deny co–operation with the provinces. It may be that the Canadian Labour Congress wants to cut these kinds of programs. It may be its analysis that this is what should be done with the UI system but it is not ours.

• (1425)

We have worked very hard over this past year. We have met consistently with the provinces and local communities. The whole thrust of the reform is to decentralize, to get real programs at the local level so that people can tailor and design employment programs to fit the needs of those communities. That is what we are trying to do. That is the real meaning. It is not to turn power over to other bureaucracies but to give the power back to the people to choose how they want to get back to work.

* * *

THE ENVIRONMENT

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, for two years the provinces and Ottawa through the Canadian Council of Ministers of the Environment have been discussing ways to harmonize environmental management in Canada. These talks have been progressing toward a framework agreement to rationalize responsibilities and eliminate costly overlap and duplication. Recently the federal Minister of the Environment pulled the plug on this process, refusing to proceed on an agreement that would have been a significant victory for the environment and for federal–provincial relations.

Will the Minister of the Environment table the draft environmental management framework agreement negotiated with the provinces and let the House and the people of Canada decide whether or not it should proceed?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the leader of the third party exhibits his ignorance on environmental issues when he says that. There were 11 annexes—

Some hon. members: Oh, oh.

The Speaker: Colleagues, the reason I took a few seconds is my own fault. I was distracted and apologize to the House for that. After having what was said explained to me, I will go on to the second question of the member for Calgary Southwest. Once again colleagues, I would urge you to be very judicious in the use of your language.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, of course we did not get an answer to the first question but we could see where it was headed.

There are two sides to this story and it is particularly important that the side of the provinces be known in the House. The Alberta government believes the minister deliberately scuttled the agreement because of an unfounded fear that somehow the federal government's role in the environment might be weakened, a fear of decentralization. This was despite the fact that every province was prepared to recognize in writing the need for a strong federal presence.

Why does the government consistently reject every provincial attempt to streamline government services, harmonize regulation and eliminate costly red tape if those attempts include any significant element of decentralization?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, there were 11 annexes in the environmental management framework agreement. The federal government is prepared to proceed with 10 of those annexes. The reason the annexes were not put forward to the public was that the provincial governments led by the province of Alberta refused to publish those 10 annexes.

• (1430)

I will quote what the minister of the environment said about the role of the federal government under his vision for Alberta. He said: "You can have the national parks and the Indians. We want to look after all the rest".

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the environmental management fiasco is a symptom of a deeper problem with the government. There are too many old style ministers who cling to the obsolete notion that any change in federal–provincial relations is to be resisted if it includes any element of decentralization.

The Minister of Health resisted when we talked about decentralizing the financing of health care. The Minister of Human Resources Development resisted in his department and now the Minister of the Environment resists an agreement unless it makes Ottawa the centre of the universe.

My question is for the Prime Minister. Why does he not send a clear signal to all Canadians and all provinces that Ottawa is prepared to accept the principle of decentralization? Why does he not send it by removing those ministers who consistently obstruct the implementation?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, since I became the Minister of the Environment I have signed environmental agreements with every province including the province of Alberta.

I would ask whether the public believes there is a national role to play for a national government. When we are talking, for example about automobiles, does it make sense to have 10 standards for 10 provinces? Or would it make much more sense to the Canadian consumer to have one national standard for vehicle emissions? There is a way of doing things logically, not through the knee–jerk decentralization being proposed by the leader of the third party.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Prime Minister. While the budget announced additional cuts of over $1.5 billion on the backs of the unemployed, the unemployment insurance account was heading toward a surplus of nearly $5 billion for 1995 alone. We must not forget that the government has not put a penny in the unemployment insurance fund since 1991. Worse yet, Ottawa is using the account surplus to fund new intrusions into training.

Does the Prime Minister acknowledge that increasing the unemployment insurance fund surplus by cutting benefits to the unemployed and using this surplus to fund new federal intrusions into manpower training is totally disgusting?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member raises an important question about the application of the UI surplus.

The UI fund is set up over the period of the business cycle to be self–financing. In those periods when there is a recession or a heavy draw on the UI fund, the government finances the UI system, as we had to do during the late eighties and early nineties in the previous government when the fund went into a deficit of close to $11 billion.

We are now simply paying off that deficit, but the government had to finance it through its own borrowing during that period of time. When the economy improves, as it is now doing under this administration, we begin to build up a surplus—

Some hon. members: Oh, oh.

Mr. Axworthy (Winnipeg South Centre): Did I hear a loud voice in support of that notion?

Some hon. members: Hear, hear.

Mr. Axworthy (Winnipeg South Centre): It is clear that over the life of the business cycle it is important to make sure there is a reserve in the UI fund so that we will not run into a position as the previous government did, of which the Leader of the Opposition was a member, where all of a sudden it dropped premium rates and then had to jack them way up. As a result, it made the recession even worse.

I remind the hon. member that she was a member of a committee of the House of Commons that looked at the whole UI question and recommended: "The UI account be permitted to accumulate a surplus to accommodate changes in premium rates over the business cycle". That was a recommendation of a committee in which the hon. member was a full participant.

• (1435)

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the minister should have read the minority report. While there has been no net job creation in the past eight months, the government has insisted on repayment of $6 billion in less than two years creating a surplus this year of $5 billion, which is being used to impose decisions and guidelines on the provinces that they do not want.

How can the Prime Minister use the money from cuts made to the unemployed to get round the provinces, going over their heads, in order to impose its views directly on organizations and individuals? If he says this is not true, let him table his reform.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member puts in her question the idea that there has been no major change in employment or unemployment rates in the country.

I point out that since the government came into office the unemployment rate in the constituency of Mercier, which the hon. member represents, has dropped by 4.5 per cent. What will put in danger the thousands of jobs we created in the hon. member's riding is if Quebec decides to separate, which it will not do. The threat and uncertainty of the separation movement endangers job creation for Canada and Quebec. If the hon. member really wants to protect jobs in her riding, she would vote no in the coming referendum.

* * *

QUEBEC REFERENDUM

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, two weeks ago the government said that a yes vote was a one–way ticket to separation. Last week the government refused to say that yes means yes and accused the Reform Party of being disloyal for suggesting the government make the consequences of a yes vote clear.

Today the finance minister said in Quebec that a yes vote would mean "the certain destruction of Quebec's economic and political partnership with Canada".

My question is for the Prime Minister. Is the government now prepared to be clear to Quebecers that this referendum is a yes or a no to separation and that the no side must win for Quebecers to enjoy the benefits of Confederation?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the Minister of Finance was clear in the very good speech he made today explaining the consequences of a no vote for the economy of Quebec.

[*Translation*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, my supplementary is also for the Prime Minister.

Did the government explain that its statements regarding a political and economic union are not a threat but represent the best interests of the rest of Canada; that Canada will never allow a foreign country to become involved in this Parliament, in its monetary policy, in its equalization payments; and that, if Quebec votes No, it will become a foreign country like any other?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this is what we have always maintained. What the Bloc Quebecois and the Parti Quebecois are proposing is Quebec's separation, except that they are trying to hide this behind all kinds of words designed to obscure the truth.

They tried to come up with what they said was a winning question, but look at the confusion they have created. A third of the people who say they will vote Yes think Quebec will remain a Canadian province after separation. That is what poll takers are reporting today.

They should be completely honest and tell Quebecers that they are separatists. They know full well that Quebecers will vote to stay in Canada. I know that, and the Leader of the Opposition knows it too because, as recently as last March, he was saying: "We must change the question because if we tell the truth, we cannot win; we need a winning question". Quebecers can now see through the opposition leader's game.

* * *

UNEMPLOYMENT INSURANCE

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Yesterday in the House the minister stated that he was going to follow the recommendations of the task force on seasonal work.

• (1440)

Now, the key recommendation by that task force is to not create two classes of unemployed persons through penalty clauses for seasonal workers such as those in the minister's document which were made public this past weekend.

Does the minister confirm the Canadian Labour Congress analysis that he will be coming down heavily on seasonal and part time workers by requiring "twice as many weeks and hours of work before they are eligible for benefits".

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I indicated three or four months ago, following publication of the report and looking at the analysis of the seasonal works report, that we would not be pursuing the notion of a two-tier system.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, seasonal workers are fed up with being treated like ping pong balls by the federal government.

Is the minister aware that all the proposals for reform originating within his department include direct attacks on seasonal workers in Quebec and on what awaits them if they vote no in the referendum? If you want to clear away this doubt once and for all, well then just table your reform now.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member was truly in touch with various groups representing seasonal workers, he would know that we have been consistently and constantly working with them. We have had meetings with construction workers. We have been taking a number of recommendations they have been putting forward. We have worked on the sector councils which represent agricultural workers. We have been working consistently with them to get their recommendations.

The difference is that the hon. member takes a piece of paper put forward by the CSN in Quebec and tries to treat it as the gospel truth. Whereas our view is to sit down with the people who really know what is going on, talk with them and get their recommendations.

* * *

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, in the health minister's January 6 letter to the provinces she stated:

> I am convinced that health care facilities providing medically necessary services that operate outside the public system present a serious threat to Canada's health care system.

Today reports say that she will allow those very same private clinics.

Can we get a straight answer from the health minister on private clinics? Is she for them or against them?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the hon. member referred to my January 6, 1995 letter. That is exactly the way I felt then, exactly the way I feel now, and exactly the way our government feels about these clinics.

One of the beauties of medicare is that it provides equality of access which is extremely important for all Canadians. We, the Government of Canada, will continue to protect that access for Canadians.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the Canada Health Act is very specific. The provinces must pay for all medically necessary services. To have this changed, the Canada Health Act would need to be modified. Is the minister finally listening?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I have always listened and listened very carefully.

However there is a difference between listening and doing things which would destroy something very good. Medicare was built in this country one step at a time. Some might even say one two–by–four at a time.

Some hon. members: Hear, hear.

Ms. Marleau: Some of us are builders and some of us seek to destroy. The government will seek to continue to build.

* * *

• (1445)

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

By once again limiting the access of the thousands of unemployed to unemployment insurance, the minister's proposals will result in more unemployed being pushed toward welfare. The cuts he has made to unemployment insurance since 1994 have forced 5,000 Quebec families to seek social assistance.

Will the minister acknowledge that the new proposals for cuts to unemployment insurance analyzed by the Canadian Labour Congress will heighten the move of thousands of unemployed from unemployment insurance to welfare? Is that what awaits Quebec workers the day after a no vote?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I think it has already been made clear that I do not think very much of this document of the Canadian Labour Congress. It is simply not based on any proper or realistic analysis.

We have not decided yet exactly what the elements of our proposal will be, so how they can go about speculating on what the impacts will be is beyond me. I guess you need to be an economist for the CLC to figure that out.

I want to make one point very clear to the hon. member about the impacts. In the month of August, for which we have the most recent statistics, we know that the welfare caseload in Quebec dropped by 13,000. One of the reasons is that we are making real headway in getting people back to work. There were over 110,000 new jobs created in Quebec during that period of time.

We still say that the best way to deal with poverty and the best way to deal with unemployment is to help people get a job.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, let us set the record straight about the number of people on welfare in Quebec. Statistics provided by the Quebec department of income security reveal that, in July 1995, there were 799,900 people on welfare; in August 1995, the figure was 799,400, 500 fewer; and, in September 1995, there were 800,100 people on welfare in Quebec. So either the minister does not know how to count or he spends his time inventing figures.

The Prime Minister, who always has the word "honesty" on the tip of his tongue, should ask his minister to make use of this virtue in tabling his famous document. What is preventing the minister from acting honestly and openly?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): I know this might be a little delicate for the hon. member, but if he is asking about the source of the figures I would simply like to confirm that on April 27 the prime minister of Quebec, the Hon. Jacques Parizeau, said that between April of 1994 and April 1995 the number of social assistance recipients in the province of Quebec declined by 60,000.

If he wants to call into question the figures put forward by the prime minister of Quebec, certainly he is simply following in the footsteps of his leader, who seems to be always second guessing the prime minister of Quebec.

* * *

[*Translation*]

MOODY'S

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

Moody's has indicated that the credit ratings of Quebec and the other provinces should be reviewed in the event of a yes vote. What does the government think of Moody's analysis?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, Moody's indicates that, in the event of a yes vote, the credit ratings of Quebec and the other provinces should be reviewed, suggesting that the cost of credit would increase in Quebec and across Canada.

The conclusion is that the best way for Quebec to have a better credit rating and therefore lower interest rates is for it to remain in Canada.

* * *

[*English*]

PAROLE AND SENTENCING

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, it is clear that Melanie Carpenter was viciously raped and murdered by a violent offender released by way of statutory requirement after serving only two–thirds of his sentence. This means that government legislation contributed to her death.

Will the Minister of Justice introduce legislation to amend the law that allows criminals to be released after serving only two–thirds of their sentence, as was the case in the Melanie Carpenter situation?

• (1450)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, legislation has been introduced in the House that deals with violent offenders and with sentencing, and that is Bill C–45. The bill will be debated at third reading tomorrow. I invite the hon. member to be here to vote for the bill.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, of course that was no answer to my question.

The Canadian Police Association has said that crime prevention includes the reduction of opportunities to commit crimes. It has also said that easy parole requirements provide violent offenders a golden opportunity to reoffend.

Will the Minister of Justice amend the law to allow for the assessment of violent offenders prior to release to determine their likelihood of reoffending and allow them to be declared a dangerous offender at the end of their sentence rather than at the beginning, as is the case now?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, there is not a Canadian who was not touched and indeed angered by the tragic death of Melanie Carpenter and by the other tragic deaths in recent months.

I met this morning with Melanie Carpenter's father. I had the opportunity to speak directly to him to express my own anger and as a parent of young children to identify with the sorrow he feels.

This government has been working steadily in its term in office to strengthen the criminal justice system, to introduce DNA testing, to strengthen the Young Offenders Act, and to provide mandatory penitentiary terms for those using guns in the commission of a crime.

When we introduced Bill C–41, which would encourage uniform sentences in criminal courts in Canada and send the message that violent crime must be punished harshly, the Reform Party voted against it.

Let me simply say that if the hon. member and the members of his party were genuinely interested in public safety instead of exploiting personal tragedy for political gain in the short term, they would work with us on the changes we intend, including changes to deal with the high risk offenders in this country.

* * *

[*Translation*]

OLD AGE SECURITY

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Prime Minister.

In his recent budget, the Minister of Finance clearly announced old age pension reform, and I quote: "That in turn requires reform to ensure that the pension system is sustainable in the long term". Yesterday, the Minister of Foreign Affairs clearly contradicted his colleague by saying that Ottawa would definitely not touch old age pensions.

In view of this flagrant contradiction by two senior ministers in his cabinet, would the Prime Minister confirm clearly that the old age pension reform is ready but will be put off until after the referendum so seniors will not know the scope of the cuts that await them?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we made it very clear in the budget statement that the government will do nothing to jeopardize the security of our seniors who are on public pension plans.

What we did say was that in order to maintain the sustainability of the Canada pension plan there has to be a review. As the hon. member knows, there are substantial changes going on in the demographics of this country. The CPP does not apply to Quebec, but it has a relationship because the two pension plans have a certain compatibility. We do want to have a public review before the Minister of Finance meets with his provincial colleagues by the end of the year. That is one reason it is very important that we be able to get out for public view how the Canada pension plan itself can be revised and amended to ensure it maintains its sustainability.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, how can the minister contend that his government will not touch old age pensions, as the Minister of Foreign Affairs said yesterday, when this same minister refused to make any commitment on the amounts of the old age pensions and the eligibility level, leaving it up to his colleague in finance to do so, when the budget has clearly stated there will be a reform and cuts?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would like to point out that reform is going on constantly.

Some hon. members: Oh, oh.

Mr. Axworthy (Winnipeg South Centre): May I amend that to say that modernization is going on constantly? It is terrible how we have debased the currency of the word "reform".

• (1455)

I want to point out to the hon. member that we have brought in legislation in the past in the House that makes it substantially easier for pensioners to get their pensions without reapplying. We have changed the delivery system so they can now get half–day service when service used to take 13 or 14 days previously. All along we have been making very significant and important changes for seniors. I announced just today that based on the quarterly review we have increased the seniors pension by $2.35 beginning today.

* * *

VICTIMS OF CRIME

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, last night Canadians from coast to coast saw quite clearly how much the government cares for the victims of crime. This minister and his government had a chance to vote for financial compensation to assist victims and their families to recover from the trauma of violence and sexual assault, but did not.

My question is for the justice minister. How can the minister tell Canadians he supports efforts to benefit the victims of crime when the minister and his government refuse to back up their words with actions?

Some hon. members: Oh, oh.

The Speaker: My colleagues, the question as it is framed I find to be acceptable. I will permit the minister to answer if he so wishes.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, let me just say that had the hon. member been aware of the provisions of Bill C–41 before speaking and voting against it, he would have seen—

Mr. Abbott: We are talking about C–45.

Mr. Rock: No. The attention of the hon. member was focused on two words in one subsection of a 70–page bill. If he had read the bill in its entirety he would have seen that Bill C–41, which has now been enacted by the House of Commons, provides in a very meaningful way for the restitution of victims of crime through the criminal justice system in ways that are innovative and will be effective. That is the response of the government toward victims of crime.

Some hon. members: Hear, hear.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, more words. I know how the vote went last night and so do all Canadians.

This minister is willing to spend hundreds of millions of tax dollars on a registry that frontline police officers and criminologists say will have little or no impact to reduce crime, but he is not willing to make criminals pay for their actions by financial compensation.

Why does the government follow the wishes of special interests who want to punish law–abiding firearm owners yet will not listen to grassroots Canadians when they demand compensation to victims of crime? All they can do now is sue.

The Speaker: My colleagues, it is the tradition of the House usually not to reflect on a vote that has been taken by the House.

Mr. Thompson: Is that public?

The Speaker: My colleagues, when in the preamble we refer to votes the Speaker is put in a precarious position. Is it the preamble that leads up to the question? I am trying very hard to listen to the questions themselves, which may be in order, but I find sometimes that you push the preamble so far that you seem to want the Speaker to intervene earlier than he ordinarily would.

I ask you once again, in your preambles you must stay within the confines of the question you are going to frame. Once again, I will permit the Minister of Justice to answer the question, but he is under no obligation to do so.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I welcome the opportunity to set the record straight. The preamble that preceded the hon. member's question is so filled with errors that time will not permit me to address them all.

• (1500)

The very purpose of the restitution provisions in Bill C–41 now passed by the House and which the hon. member opposed was to

permit the court to award restitution and the victims of crime to collect it without having to sue simply by registering the order.

If the hon. member had a genuine interest in the victims of crime then he would join with CAVEAT and victims groups across the country that are calling for him to support gun control.

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PEACEKEEPING

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, today the Minister of Foreign Affairs will address the UN General Assembly on a government study entitled: "Towards a Rapid Reaction Capability for the United Nations". This study began when the Minister of Foreign Affairs first addressed the UN General Assembly in September 1994.

Can the Minister of National Defence tell the House how Canada's report on rapid reaction capability will improve United Nations peacekeeping operations?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am very proud to say that my colleague the Minister of Foreign Affairs will be outlining this afternoon the Canadian government's response to some very tragic situations seen in recent years with respect to international peacekeeping. That is moving toward an international rapid reaction force, a standby force which we call the vanguard principle of up to 5,000 troops. This multinational force will be ready to intercede in places like Rwanda to ensure that the kind of horror we saw there last year does not occur again.

* * *

EMPLOYMENT

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is for the Minister of Human Resources Development.

Stats Canada reports that in 1993 the median family income with inflation factored in declined by almost 3 per cent. For single parent families mainly headed by women their standard of living dropped by an incredible 8.6 per cent in that one year.

Can the minister tell us by how much more the income of single parent families will drop when the changes to UI and the new Canada health and social transfer gets implemented?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, in my view the statistics the hon. member cited are the most important and dramatic reflections of what is taking place in Canada overall and the changing society we are in.

I would ask the hon. member to look very carefully at the cause of that circumstance. It is because single parent mothers have substantially fallen out of the labour market. There has been almost a 15 per cent decline of single parents in the labour market. Therefore, the answer to their problem is not more transfer payments. The answer is helping them get back to jobs, get back into the labour market, get back to being employed. That is the most effective way of putting additional income in the hands of our single parents across Canada.

GOVERNMENT ORDERS

[*English*]

OCEANS ACT

The House resumed consideration of the motion that Bill C–98, an act respecting the oceans of Canada, be read the second time and referred to a committee; and on the amendment.

• (1505)

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Thank you, Mr. Speaker, for giving me this opportunity to speak on Bill C–98, the oceans act.

What we need is a coherent oceans policy that embodies a full range of economic environmental issues that pertain to the management of our oceans and coastal territories. Our government realizes this is the time for action in this area.

Ocean stakeholders have been calling for a coherent vision for some time now which is why soon after coming to office the Prime Minister called on the National Advisory Board on Science and Technology to study, consult and report on Canada's oceans policy. It did not give the federal government high marks.

The NABST report criticized the federal government for the neglect of its ocean responsibilities. It then suggested steps to set up our oceans policy on a more favourable course. These steps included an oceans management strategy and new legislation in the form of an oceans act.

I am proud to say that my colleague the Minister of Fisheries and Oceans did not waste any time in responding to these suggestions. Since the NABST report and the minister's 1994 release of the vision for oceans management, the minister and his officials have consulted widely with many stakeholders in the oceans sector. They have spoken with fishermen, business representatives, government officials, aboriginal groups, environmental interests and others. The result is a set of proposals for an ocean management strategy to be developed by the federal government in partnership with other key oceans interests.

The plan as outlined by the Minister of Fisheries and Oceans is to create an integrated oceans management strategy that would have as its primary goal the sustainable use of our ocean resources. A second goal would be to help each coastal region bring together and co–ordinate the elements needed to build a flourishing and diverse ocean based economy.

The concept has received widespread support throughout the oceans sector. However, before the government and its partners can proceed any further with this initiative, we must establish the legislative framework within which an integrated strategy can operate. This is what we are doing now by introducing the oceans act.

It is fundamental that the oceans act is enabling legislation. It removes barriers and sets the stage for Canadians to begin a new era in their relationship with the sea.

The oceans act has three main components. There is the declaration of Canada's jurisdiction over both its exclusive economic zone of 200 nautical miles and a contiguous zone of 24 nautical miles. Another component is the provision for the development and implementation of a national oceans management strategy based on sustainable development and integrated management of oceans coastal activities and resources and the consolidation and clarification of federal responsibilities for managing Canada's oceans. These are all essential steps if Canadians are going to work together to develop a new, integrated approach to oceans management.

First, it is absolutely vital that the Canadian government expand its jurisdiction over the ocean areas within our 200–mile limit, implementing the sovereign rights to which we know are under the law of the sea. This is essential both to protect the environmental integrity of these areas and to ensure that the oceans' precious resources are available for use by future generations of Canadians.

Second, an integrated approach to oceans management will help ocean stakeholders to consider a wide range of ocean activities all in one big picture. This includes everything from shipping, offshore oil and gas exploration, fisheries management and coastal development to the creation of special marine protected areas for fragile ecosystems. An integrated ocean strategy will help decision makers to consider environmental and developmental issues in relation to each other rather than in isolation. As was the case in the past, in this way it will enable Canadians to achieve a better balance between environmental protection and human activity than we have ever had before.

• (1510)

Third, it is essential that the federal government and its partners in the oceans sector work together to bring an end to the current ad hoc fragmented approach to ocean management that has worked for so long to the detriment of both the environment and many of our ocean industries.

Ocean and coastal issues cross many jurisdictions. They can be international, national, regional, provincial and local all at the same time. In the past, this has given rise to a host of problems, including conflicts over jurisdiction, duplication and inaction. Yet marine ecosystems know no artificial boundaries and neither do trade and business. It is time to work together in a new spirit of co–operation and to learn to harmonize our efforts.

All of these steps will strengthen our ability to protect the ocean environment. They will also enhance the potential of the many ocean based industries that are so important to our coastal communities. Allow me to take a few minutes to outline some of the benefits of both the oceans act and the planned oceans management strategy to industry.

First, extending our economic and environmental jurisdiction out to 200 nautical miles will provide greater stability to all of our ocean industries. It will build upon the exclusive fishing zone which we already have and will expand to include other opportunities for development. It will further cement our right to protect the environment.

Second, the clarification of federal roles and ocean responsibilities will help to simplify the relations between government and other stakeholders. Business will especially appreciate both this move and the consolidation of regulations.

Third, the commitment to build partnerships will allow other levels of government, industry and non–governmental organizations and other interested stakeholders to develop shared goals in oceans management. This approach should lead to better communication, greater co–operation and increasing harmonization. All these are welcome spinoffs for industry that should reduce the cost of doing business and stimulate growth.

Fourth, an increased emphasis on the co–ordination and dissemination of scientific, environmental and management information should place our ocean policies and practices on a much firmer scientific footing. In addition, improved communications between the private sector and federal scientists should stimulate innovation and technology transfer.

As a package, these benefits will help to generate new opportunities and improve the business environment for our ocean industries. An integrated oceans management strategy will place Canadians at the forefront of ocean management and the development of related technologies.

Canadians already have many of the needed tools to fill this ocean vision and to move ahead in the world economy. Both our west and east coasts have world class research facilities that make important contributions to an international climate and oceans research. Both these regions have clusters of thriving private sector enterprise that have the know–how to design, apply and market specialized ocean based technology to clients around the world.

Allow me to provide a few examples of how the Canadian oceans industry is selling its products and expertise to clients around the world.

A good example is New East Technologies of Newfoundland. New East started out as a ship to shore radio business but a few years ago started to design and build an improved switch system that routes radio signals to specific destinations by satellite. Now a cluster of satellite communication firms, New East companies track the progress of ocean going ships and provide radio links for some 40 airlines. In addition, it is exploring the telephone switching equipment markets of Hong Kong and China.

• (1515)

Another example is AGI, Ariel Geomatics of Nova Scotia. Formed in 1993, this growing company undertakes airborne environmental mapping and monitoring surveys using a compact airborne spectrographic imager, CASI for short. AGI is one of the few private sector owners of this advanced technology.

AGI has used CASI technology for ocean mapping but is also marketing its potential application in other areas such as land use and vegetation studies, urban mapping, agriculture, forestry and geological work. Already its services have been used by clients in Italy, Chile and the United Kingdom.

The future of this new industry looks bright and with the oceans act and the oceans management strategy it will look even brighter. Countries ratifying the United Nations convention on the law of the sea will have to map the 200 mile offshore exclusive economic zones. With Canada's demonstrated leadership in this field, many of these nations will turn to Canadian companies to assist them in fulfilling these and other requirements.

The oceans act and the oceans management strategy will help Canadians to make the most of our ocean expertise and resources. The benefits will be many and varied. The extension of Canadian jurisdiction and the adoption of an integrated approach of fisheries management will better enable our Pacific and Atlantic fisheries to achieve sustainable harvest levels. The more effective protection of our marine and coastal environment will make Canada a prime destination for ecotourism. The application of new technologies will make Canada a world leader in aquaculture, marine safety in shipping, resource assessment and offshore petroleum production.

I am very proud of our government's leadership in working with Canadians to draw up the oceans act and oceans management strategy. Together they are proof of the government's commitment to create prosperity and a better quality of life for all Canadians. An ocean of opportunity lies before us. With careful consultation, management and sensitivity to the environment all of our ocean industries can be encouraged to flourish and grow.

I encourage all my colleagues to join me in voting in favour of this long term oceans vision for Canadians.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I thank the hon. member for his intervention. I would like to set him straight on some very important issues in western Canada, on the coast. The member mentioned we do not have a problem with shellfish. That is simply untrue.

Shellfish stocks on the west coast are being pillaged. They have been pillaged for years. Even with abalone, which was banned in 1989, there has been widespread poaching of abalone all over the coast, in Nanaimo, in Victoria, in Sooke. Stocks of mussels and various other subspecies of shellfish, geoducks, abalone, are being pillaged all over the west coast.

DFO officers have been told to look the other way when this is happening. This is a problem of low level management. They have been told not to enforce the laws in fisheries.

The ministry cannot even handle two miles out of the country, let alone 200 miles. I suggest it get its act together now, otherwise we will not have any fishery left on the west coast.

I ask the hon. member what he and his ministry will do to help the decimated subspecies of groundfish, of salmon and of shellfish on the west coast so that we can avert an east coast disaster, because we are close to that.

Mr. Dhaliwal: Mr. Speaker, I thank the hon. member for his question.

All hon. members know the Minister of Fisheries and Oceans has taken a lead role in conservation in the international community. When I was at the recent convention in St. Petersburg, many people came up to me and said they were glad we have a Minister of Fisheries and Oceans willing to take a lead role. He has put conservation on the front lines. He has put sustainability of fisheries on the front lines. He has made people all over the world aware of how important our fisheries are and how important it is to have a sustainable fishery and how important conservations is. The minister has taken a lead role in terms of assuring we as Canadians take a lead role.

• (1520)

If the hon. member would look at what happened in the United Nations on the convention on straddling stocks and migratory stocks, it was Canada that took the lead role. It was the Minister of Fisheries and Oceans who took the lead role to ensure that even beyond the 200 mile zone we have a dispute mechanism system so the international community will respect our marine resources.

The minister has admitted we can do a better job. We can improve the way we are doing things. I talked about the 40,000 Canadians who are not working because of the collapse of the groundfish. We have to work harder. We have to ensure we do have a sustainable fishery. The Minister of Fisheries and Oceans has put that as his number one priority. He has taken the lead not only in Canada but he is known as someone who has taken the lead in the international community in ensuring we preserve our marine resources and that we have a sustainable fishery for future generations and that we preserve our coastal communities and their economies.

The bill will ensure that we look at our oceans on an ecosystem basis, not manage on a species basis. It ensures we take into consideration coastal communities and the economy. We have to treat our oceans as an asset. We have to ensure exploitation of those resources are done in a way that we have a sustainable fishery to protect our coastal communities and to ensure they have an ongoing fishery for the long term.

I assure the member the Minister of Fisheries and Oceans will take a lead. I hope the hon. member will take the opportunity to study this bill. I know he will support it because of his concern that we have an ongoing sustainable fishery.

I assure the hon. member we will have strong enforcement. As he knows, we have increased the enforcement budget on the west coast to make sure all people comply with the Fisheries Act and we will make sure we take action when someone does not abide by the Fisheries Act.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I will try to use the few minutes that are left to make a comment and put a question to the Parliamentary Secretary to the Minister of Fisheries and Oceans.

First of all, in his answer, he often referred to "our good minister of fisheries who did this and that". I would like him to focus on Bill C–98, which will become an act of Parliament.

This means that the law will still be in place even after the current minister of fisheries leaves his post. So he should not cite the current minister's popularity as the reason why things will stay the same in the future. He should be aware of that. I know that the hon. member comes from the west coast while I come from the east coast. He probably attended the meeting of fisheries ministers in Victoria last year. Since the parliamentary secretary has invited us to read the bill carefully, I would like to hear his comments on clauses 30 and 31, which provide that the provinces will be consulted only on the same basis as all other parties interested in ocean management that the department wants to consult with.

I am getting to my question. I understand that, at last year's meeting of fisheries ministers in Victoria, British Columbia was ready to take on part of the responsibilities for fisheries management, as were Newfoundland and Quebec. This is the department's first opportunity to answer publicly, and from what I understand, there is no link, no consultation hierarchy.

• (1525)

Is this the future of Canada, all interested parties on an equal footing while the provinces must fend for themselves? Is the parliamentary secretary endorsing this kind of attitude? I would like him to comment on this.

[*English*]

Mr. Dhaliwal: Mr. Speaker, I thank the hon. member for his question. I also thank him for his contribution to the Standing Committee on Fisheries and Oceans.

I was at that meeting and just as in any other government department if there are areas in which we can improve the way fisheries and oceans works, if we can eliminate areas of duplication and if there are areas in which we can create more efficiencies, we are open to that. The minister is very open to that. He has stated we always want to look at how we can improve things.

One of the things which was done, of which the hon. member is aware, was the merger with the coast guard. That was part of a process to create a synergy in which we can operate more efficiently and in which there is greater flexibility.

The hon. member should support the bill because it takes a much broader view of our oceans. The bill does not in any way take away from provincial rights. It will enable us to work with the provinces. It will encourage us to all work together. For those reasons I hope the hon. member will support the bill.

Part of the reason the bill came about was the National Advisory Board on Science and Technology said as a federal government we have to do a better job in managing our oceans, that we are not doing a very good job. We accepted its advice.

We will have to manage in an ecosystem and in broader terms. We have the longest shoreline in the world and we have to look at it differently. We have to look at our oceans in terms of an asset we have to treat with respect. When we exploit that asset we have to look at what the interdependence is. The bill finally brings together a strategy on how to deal with our oceans.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I listened with a great deal of interest to the words of my friend across the way. I am a little surprised at some of the conclusions he is drawing with respect to Bill C–98.

Bill C–98 at first blush looks like a pretty innocuous bill. It is a good bill in some respects. It recognizes Canada's jurisdiction over an exclusive economic zone and a contiguous zone in accordance with the United Nations convention on the law of the sea. That is a positive move.

It is also supposed to allow the management of all oceans and coastal activities to be co–ordinated under the oceans management strategy and it tries to clarify federal responsibilities in the management of our oceans. I say it is supposed to and tries because the bill is an attempt to address the concerns of the oceans and the fisheries, but it is a failure.

The bill manages to impose a new tax on fishermen. It manages to retain the duplication in the bureaucracy which exists now. It also manages to introduce new levels of bureaucracy.

This is not what fishermen want. It is not what Canadians want or deserve. Canadians want less government, not more. The minister and members of the Liberal government seem to be the only people who do not understand that.

The bill represents the Liberal government's complete lack of understanding of what life is like in Canada as a taxpayer. What will it take for the government to understand it is impossible for Canadians to shoulder any more of an already unbearable tax burden?

What will it take to make the government understand the fishermen of Canada, already victims of a fisheries crisis on both coasts, can barely make ends meet right now? It is either a complete and utter misunderstanding on the part of the minister, although not surprising since he just awarded himself a generous pension out of all proportion to what most Canadians could ever expect, or it is a complete disdain for the plight of the fishermen. As long as his pockets are full and he does not have to make serious cuts in his department, he simply does not care. Look at the attitude he had toward the Canadian taxpayers when he refurbished his office last year at the cost of a couple hundred thousand dollars.

• (1530)

As I said, times are tough for most people involved in the fishery in Canada, but the fisheries minister proposes a new tax on them anyway. Clause 49, page 21 of the bill, explains that the fees are for the service provided by DFO. Would that be the privilege to fish? This is not a service. It also states that fees may not exceed the cost of providing the service. Would that be the cost of DFO, TAGS, unemployment insurance, and other social programs or what? Where does it end?

A tax would only serve to hurt an industry that is already in trouble. DFO already collects $13 million in fees from fishermen, and it wants to increase that to $50 million. That is a 400 per cent increase paid in one lump sum. The fees are based on the landed value of the catch but are paid in one lump sum at the beginning of the season. They will be incremental, not fixed.

The parliamentary secretary said last week in response to questions that were asked in the House that there had not been an increase since 1985 and therefore he was condoning the decision. A 400 per cent increase paid in one lump sum is not reasonable. Imagine if you will, your hydro bill going up 400 per cent in one lump sum, or your phone bill or your mortgage payment. If this were happening to me I would push my MP to oppose such attempts. But alas, Atlantic fishermen have no one to turn to. Reform is the only party here to hear their voice.

This tax is a way for the Liberals to get the fishermen out of the industry. The minister wants to tax them out of the water. The minister calls this a user fee, but he is wrong. User fees are in return for services rendered. There are no services rendered here.

There are 31 Atlantic Canadian Liberal MPs and one from an extinct party. Where do the fishermen have to go? Reform is their only voice. We were in Atlantic Canada a couple of weeks ago and this is what we heard consistently. I feel rather bad for the Liberal MPs who come from Atlantic Canada who are going to be required to support the bill, because the people in Atlantic Canada are going to remember them for it.

The minister enjoys trying to impress the international community, but what about Canadians? Is the tax supposed to impress them?

Let us talk about another aspect of the bill; it is called partnership. This means that the minister under the bill will have the discretion to enter into partnership agreements on the management of the fishery resource in Canada—at his discretion.

I would like to read an excerpt from a letter I received from people in Atlantic Canada who are concerned about where this is going to lead. I quote:

> In general, our concerns arise out of a potential that the Bill will permit delegation of actual resource management authority to anyone whom the Minister may see fit to nominate for this purpose. This regime has potential to be even more unpredictable and unchallengeable than the present "absolute discretion" of the Minister for which Section 7 of the Fisheries Act provides. "Management" of fisheries resources (including such decisions as access to and allocation of the resource) are critically important to individual fishermen. The delegation of such decisions to committees, who are not subject to even the dubious control of political accountability, would create opportunities for management by special–interest groups.
>
> Fisheries management in Atlantic Canada has had a dismal history of inability to ensure that the greatest good accrues to the greatest number of participants in the industry. See, for example, the third report of the Standing Senate Committee on Fisheries, dated June 23, 1993. Strong leadership, a fair and reviewable decision–making process, and clear legislative mandates as to exactly whom

benefits from the fishery are to principally accrue to, are required to address and to correct the fundamental problems in the industry.

• (1535)

The special provision in Bill C–98 which raises the concern expressed above is in Section 32(c):

32. For the purpose of the implementation of integrated management plans, the Minister may

(c) on his own or her own or jointly with another person or body or with another minister, board or agency of the Government of Canada,

(i) establish advisory or management bodies and appoint or designate, as appropriate, members of those bodies, and (ii) recognize established advisory or management bodies;

The scope to which this provision would permit delegation of unfettered and unreviewable authority to unidentified and unaccountable persons is of great concern to the independent fishermen whom it is my privilege to represent.

Mr. Speaker, you can see there is a great deal of concern in Atlantic Canada over these partnership provisions in Bill C–98.

Let us talk for a minute about the bureaucracy. Will the size of the bureaucracy be affected in any way by Bill C–98? Is this consolidation of legislation under one umbrella called the Canada oceans act going to in any way affect the bureaucracy? On paper the shuffle looks good, but the reality is it is not going to affect the bureaucracy in any tangible way.

The DFO is already a bloated department and is extremely top heavy. With the cutbacks we see the minister is talking about destaffing lighthouses while the offices in Ottawa on Kent Street remain fully staffed. Nobody has made any concerted effort to rationalize DFO's bureaucracy from the top down. They are starting from the bottom up. We see conservation officers being taken off the beat, we see enforcement officers being taken off the beat, but we do not see the bureaucracy addressed in any tangible way.

This bill was obviously drafted by bureaucrats, not parliamentarians. I guess we cannot expect them to address the need for cuts by cutting their own department, can we? It is really unfortunate that with this opportunity the minister and the government did not seize it and seriously address the size of DFO's bureaucracy.

Let us talk about ocean protection. Yes, this will be a step toward ratifying the United Nations convention on the law of the sea, but what else? What about the extension of the 200–mile limit? The minister crusaded so proudly against the Spanish fleet off our Grand Banks, and he was supported by a great number of Canadians for doing so, but what of the protection he so strongly hinted was on its way? This bill does absolutely nothing to address the extension of the 200–mile limit to cover the nose and tail of the Grand Banks. I understand the minister made such indications here in the House earlier today. I am here to say that it does nothing to extend Canada's jurisdiction in those areas. This bill does not give the governing body any real authority. It has no teeth. Governing is only possible with authority.

As with gun control, cabinet will iron out the details of this bill later. We are talking about order in council decisions. Understandably, the fishermen in the industry do not trust it. After all, it was the government's mismanagement that got us into this whole mess in the first place. Why trust them? They have only shown that their own interests are at heart and not those of their constituents.

This bill does not invoke thoughts of government accountability in the minds of Canadians and in particular in the minds of fishermen. Instead it promotes fears of trickery and backroom dealings. The Liberal cabinet needs to make the decisions by order in council because even some of their own members are upset about this bill. We all know what the Prime Minister does with members who represent their constituents.

Cabinet could hike fees again next year without parliamentary scrutiny and without public debate. It is no holds barred for the Liberals. These are legitimate concerns. If the Liberals were implementing legislation they knew would better the fishery, why hide behind cabinet? Why would they be afraid of a public debate on the matter?

I am concerned that this will mean the special interest groups will be allowed to control the agenda. The conservation of the fishery should be in the interest of all Canadians, not just a select few.

• (1540)

The Reform Party cannot support a bill that would increase taxes and increase the size of government. Do the minister and this government not understand that Canadians want less government and taxes, not more? This bill is nothing more than a cowardly tax grab to ensure the job security of bloated DFO offices in Ottawa. The minister could not really have thought that fishermen and Parliament would ever condone such an act.

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I listened very closely to my colleague from the Reform Party.

I know my colleague from the Reform Party has just been to Atlantic Canada, but there is an old saying that a little bit of knowledge can be very dangerous. I know they feel they know Atlantic Canada, but I can assure this House that we have members who know it very well, are well informed and can advise us on the issue.

Let me first make a few statements. The member should go back to the budget, which outlined the cost initiatives. Obviously his party did not look at the budget very closely, because some of the issues in terms of cost recovery were already indicated in

the 1995 budget. They should go back to that. Obviously they did not read that part.

In the second part, in terms of the headquarters, that is where the biggest cuts are coming. Once again they should go back to the budget, because the headquarters are going to be cut by 26 per cent when the average cuts in the department are only 16 per cent.

Let me also ask the member a question in terms of his position on the licensing fee. Our main resources are a public resource. As a public resource, certain people have beneficial privileges to that resource. Should the fisherperson who catches or lands $10,000 worth of fish and pays $30 for a licence pay the same fee as those individuals who have a landing value of $1 million? Should they pay the same licence fee of $30 when they are taking out of a public resource that belongs to all Canadians? This government has said that those who take the most out of the public resource should pay a little more. This is only common sense.

The Reform Party always talks about user pay. They want to have user pay for all those people who go to the doctor. All this is saying is that if one is taking a huge amount of a public resource then they should pay based on how much they benefit from that public resource. I think all Canadians and all members from Atlantic Canada would support that view.

Mr. Scott (Skeena): Mr. Speaker, I hear the hon. member for Halifax saying she invites me there. She may be aware that I just came back from there. I talked to a number of fishermen in the Halifax area, the Dartmouth area and Central Nova. I went down to the wharfs and talked to the small guys with the small boats, not the big guys. I heard what they had to say about this fee increase.

It is interesting to see the parliamentary secretary over there defending what the government is doing when it flies in the face of what I heard back in Atlantic Canada. I would suggest to the hon. member for Halifax that maybe she wants to go and spend a little time talking to some of the fishermen in her riding, because she might get a different point of view from what she is getting from the parliamentary secretary.

I ran into one old fellow and asked him how he was making out in the fishery this year. He said: "Well, it is pretty tough. My fingernails are all wore out trying to hang on." This is the kind of attitude the parliamentary secretary displays to these fishermen who are having a very difficult time surviving from year to year.

The parliamentary secretary defends the increased fees and says it is a public resource and the fishermen ought to be paying a suitable fee for access to that resource. I do not think anybody in Canada would disagree with that, but is a 400 per cent increase in one lump sum reasonable? Regardless of one's income for the year, the person pays it up front in one lump sum. Is that reasonable? I do not think most Canadians would find that reasonable.

• (1545)

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I listened carefully to what the hon. colleague from the Reform Party had to say. This prompted me to take another look at my history of Quebec fisheries, and I would like to share with you these facts that bear a direct relation to the bill.

Between 1922 and 1980, in Quebec, fisheries were managed under an administrative delegation agreement whereby the federal government had transferred fisheries management to the Government of Quebec.

Therefore, during this time frame, we were able to develop a network now referred to as a sustainable development network, because small processing plants and refrigerating plants that pretty well met the needs of shore fishermen sprung up along the coast.

About 1980, following a fight—another one—between the federal minister, who has now become a senator, and his Quebec counterpart, this delegation of power was cancelled. After that—a coincidence perhaps—fish grew scarce and can no longer be found in our oceans.

I would draw a parallel between this and the remarks made by the hon. member because we are often told that big is beautiful. The larger the structure created, the larger the number of people involved and the better the chances it will work and be successful.

I tend to say that maybe the word is "small is beautiful" in this instance. Perhaps, if we had structures better suited to the people's needs, we would have a better chance of getting by. Take for example the fishermen of Rivière-au-Renard, Newport or the Lower North Shore. They keep running into problems with respect to fisheries management in Canada.

While fishing is a major economic activity in the Gaspé Peninsula, the Lower North Shore and the Magdalen Islands, Quebec fisheries are a very small part of the whole Canadian picture and we have always sought ways for our fishermen to have a greater weight in the balance by providing expertise, supporting them through the work of biologists, so that they can adequately argue their points.

The cod stocks were depleted in part because the politicians in charge had frequently given in to pressure. We now find ourselves with many endangered species because the policies did not reflect the reality in terms of the market and the fishing of the species. Some fishermen are forced to stay home because they cannot get the required service.

I will conclude by asking the Reform member if there is a way to ensure that fisheries management stays close to the people, in a concrete and daily fashion, while also taking into account the opinion of fishermen, instead of having huge structures where the power ultimately rests with whoever has the largest number of biologists or provides the biggest report. Such a structure is of

no help to users, namely the fishermen, who do not have enough of a say in the process.

Does the Reform member feel that this bill is headed the wrong way since it promotes a "Big is beautiful" instead of considering also a "Small is beautiful" approach?

[*English*]

Mr. Scott (Skeena): Mr. Speaker, I thank the member for his intervention. He made a couple of observations and I think he is right on.

I was not aware that there was a withdrawal of delegated authority in his province in 1980, but it does not surprise me because that is the way the federal government has acted over the last 25 or 30 years. It has tried to consolidate more power for itself all the time: Ottawa is always bigger, better and more beautiful. Obviously that is not what Canadians think. Canadians would like to see decentralization of power such as the member is alluding to. It certainly is a philosophy and a vision of the party I am representing in the House today. Our leader was trying to make that point with the Prime Minister during question period.

• (1550)

We believe the federal government ought to look at devolving powers to provinces, municipalities and communities wherever possible and get away from the notion that only Ottawa has the brains and the ability to run the country.

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, as vice–chairperson of the Standing Committee on Fisheries and Oceans I am pleased today to have the opportunity to take part in the debate on the oceans act.

Further, I make note that contrary to statements made earlier today by the member for Fraser Valley West this vice–chairperson is not a separatist. He neglected to mention that there were two vice–chairs of the committee, myself and the member for Gaspé.

Parliament is called upon today to formalize Canadian jurisdiction over vast new areas of ocean waters and numerous resources off our coasts. The bill before us challenges all Canadians to unite in the development of a strategy which will incorporate the harnessing of the oceans' economic potential and command respect for the oceans' environmental necessities.

In the red book we stated that Canadians increasingly understand that the national environmental agenda can no longer be separated from the national economic agenda. It is long past the time for the federal government to act on this understanding by adapting economic and environmental agendas that converge. As a government we will stand behind our agenda and devote attention to this important piece of legislation.

The oceans act encompasses the fundamentals that ensure Canada's economic and environmental agendas for our oceans are a priority. It is a pivotal turning point in providing a foundation which will ensure ocean resource management is properly administered. Painfully we have come to discover that the ocean resources are finite and that human activity can and has jeopardized fragile ocean ecosystems.

Just as everything that lives exhibits interdependency, we have seen the environmental health of our oceans connected to the economic health of our country. As children we were told not to kill the goose that lays the golden egg. As teenagers we learned the basic laws of physics which state that for every action there is an equal and opposite reaction. These laws and proverbs are represented in the oceans act. It is based on implementing a few simple lessons. If we destroy the oceans they will not provide us with the sustenance we enjoy on a daily basis. If we abuse them we will pay a grave price.

The oceans act provides direction for the Canadian jurisdiction of over nearly five million square kilometres of ocean. Through the act we create a 200 nautical mile exclusive economic zone for Canada in the Atlantic, Pacific and Arctic oceans. We will have the right to explore and exploit resources within the 200–mile exclusive economic zone and at the same time be given the right and responsibility to conserve and protect the same resources.

It is our duty as Canadians to preserve and to protect the marine environment not only for ourselves but for generations to come. We cannot continue to shortchange generations of the future. That is why the bill before Parliament today goes beyond the simplistics of one statement of jurisdiction. The bill is a cornerstone, a building block and a framework for a new ocean management strategy which consolidates and clarifies federal responsibilities for implementation of the new strategy.

The key to the future is sustainable development of Canada's oceans and an integrated approach to management of ocean resources. Only through this approach will Canadians be able to make our economic and environmental agenda complete.

It has been 12 years since the United Nations General Assembly established the World Commission on Environment and Development, more commonly recognized as the Brundtland commission. The commission urged the world to embrace the concept of sustainable development. The Brundtland report was the cornerstone of all forthcoming legislation. It embraced the concept of sustainable development where the environment is fully incorporated into the economic decision making process as an aforethought and not as an afterthought.

• (1555)

The oceans act is based on that wisdom. The philosophy of the bill is strengthened in its foundations of sustainable development. Unfortunately a philosophy is not a plan of action.

The new bill breathes light into the principle of sustainable development by putting in place the framework necessary for a Canadian action plan for our oceans. In developing an oceans management strategy the federal government must show leadership, and the bill exemplifies leadership.

The oceans act will extend Canadian environmental legislation to include the new exclusive economic zone. The act will make the Department of Fisheries and Oceans the focal point for the co–ordination of federal oceans activities. It will authorize the Minister of Fisheries and Oceans to develop marine environmental quality guidelines and establish marine protected areas.

The act will also give the minister responsibility for conducting marine research, preparing scientific reports, and operating and maintaining the necessary federal research facilities. Most important, the minister will have the authority to lead in the co–ordination of activities to promote the development of a shared Canada oceans strategy, in turn uniting all Canadians and promoting international unity.

The minister will be able to enter into new partnership agreements, to share ocean information, to share ocean research, to share ocean planning and to share ocean management. Through the basic principles of sharing we can reduce duplication and conflict. Only by working together can we adopt a comprehensive ecosystem based approach to comprehensive ecosystem problems.

This unified approach to ocean management provides the criteria necessary for the creation of a legal framework which will enable provinces and territories, businesses and environmentalists, fisher people and ocean industries to pull together and to strive toward a common goal.

We have a common goal. We all want Canada's oceans to be productive, safe and healthy for all generations. We can only achieve that goal by making Canada a world leader in oceans and marine resource management.

On Canada's coasts there are hundreds of fishing communities. My riding is made up of many such communities, one of which I was raised in.

The minister has already mentioned that when John Cabot reached the shores of Newfoundland in 1497 he found the sea: "swarming with fish which can be taken not only with a net but with baskets let down with a stone". This illustration of the former abundance of fish is now in contrast with the shortage of northern cod off Canada's east coast.

The oceans act is our management strategy to ensure that the devastation which has occurred on the coasts off Newfoundland never happens again. Many fish stocks on the coast of Newfoundland were severely depleted prior to Canada's declaration of a 200–mile fishing zone in 1977. Although some Atlantic codfish stocks have begun to recover somewhat since that time, many stocks continue to be subject to high fishing pressure, particularly the stocks that straddle the 200–mile limit where foreign fleets have ignored internationally negotiated catch limits.

Our fishers on the Atlantic coast and throughout Canada have suffered. They have lost their livelihood, their pride and their sustenance. It is not too late to provide legislation countenance. We must amend the marine conservation policies in the country and prevent future tragedies from occurring. The oceans act will do just that.

Canada's fisheries will continue to face a variety of pressures imposed by an increasing world population. This will produce more wastes which will impair the natural productivity of oceans and inland waters. Managing the fisheries in the face of these pressures will require co–operation on national and international levels.

The oceans act will ensure that proper management of the ocean resources both living and non–living will be sustained. Each one of these communities houses a wealth of accumulated knowledge about currents, salinity, water depth, temperatures, tides and navigational routes. We must link this knowledge to a shared ocean management strategy. We must understand how each of these regions is unique and independent.

The bill before us today confirms the merger of the Canadian Coast Guard and the Department of Fisheries and Oceans. It ensures boating safety is placed in the highest priority.

• (1600)

The legislation makes it possible to form new domestic agreements to increase prosperity in trade and commerce. Through basic principles of sustainable development, the transfer of technology from government and academic researchers to the private sector will be facilitated. Together we must work to improve resource assessment and inspection. Harmonized regulations will guarantee services provided by different levels of government effectively meet the needs of our sea coast communities and ports.

The oceans act makes it possible for Canadians to work together to shape the best national answers and the best local answers for ocean sustainable development. Better understanding of oceans, better resource management, better environmental management,

increased safety and increased trade and commerce are all components of an integrated ocean strategy.

By providing the legislative tools to enable Canadians to get our act together on these issues the oceans act will help to ensure Canada is a forceful and effective voice on global ocean issues. By demonstrating our own responsible attitude to ocean sustainable development we will be in a strong position to push forward for greater global responsibility. In effect, Canadians must seek the same force for good on all ocean issues that we have for our fisheries conservation.

The Brundtland commission called its report "Our Common Future". That is what this bill is about and that is what we are really debating. Canada has a special responsibility as a country which borders the Arctic, the Pacific and the Atlantic oceans. Our common future depends on whether we use those oceans wisely, whether we actively seek to promote sustainable development and whether we actively seek to pursue both our environmental responsibilities and our economic opportunities.

I am happy and proud to support the bill and urge all members to join me in allowing this legislation to move forward quickly for study by the standing committee. The oceans act charts a wise course for the future of ocean policy. It is a course which would bind our country with a common future, a course we must all sail together.

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Madam Speaker, for two years now the Liberal government has presented legislation it says will make government more streamlined, more responsive and more responsible to Canadians. Its comments have been merely smoke and mirrors. I am sad to say Bill C–98, an act respecting the oceans of Canada, is another example of the government's saying one thing and doing another.

The government told Canadians its changes to the Young Offenders Act would raise ultra–violent youth to adult court and that this action would give 16 and 17–year old cold blooded murderers sentences equal to their heinous crimes. The government's statements were not equal to the realities of the bill.

The government has made numerous statements that Bill C–98 will end duplication, bring control of Canada's traditional fishing grounds on the open sea into Parliament and ensure the success of fisheries. Again we have statements which do not match the realities of the legislation.

How can the fisheries be successful when the government intends to tax them to death? The government tells Canadians we on this side of the House do not understand the problems of the east coast. We understand all problems facing Canadians better than the government.

The Minister of Fisheries and Oceans bored himself a place at the trough by accepting his gold plated, self–imposed pension. Now the minister wants to pay for his pension on the backs of the fisheries, an area where it is impossible for those Canadians to bear the brunt of an already unbearable tax burden.

The Liberal government claims the bill will end duplication and provide efficient operation through the oceans management strategy. Again we have a catch phrase for media consumption which has no bearing on the realities of the bill.

Bill C–98 suggests all government bodies co–ordinate their activities relating to the oceans surrounding Canada. Nowhere in the bill does it state that all government bodies dealing with oceans must co–ordinate their functions. There are no penalties, consequences or even government scrutiny for any departments which refuse to end duplication.

• (1605)

In effect, the bill will create even more bureaucracy. How does the government intend to pay for this new bureaucratic nightmare? The government will raise licensing fees for fishermen. That is the tax I have been talking about. Not only that, it will increase the fees to such an extent that family oriented fishing boats or small fishing groups will be put out of business.

It is either absolute and utter ignorance of the reality on the east coast that the minister does not understand or it is total disregard for the east coast fishery, large and small.

To the minister it seems as long as his pockets are full and his future is assured he does not care about those he is supposed to be helping. The government gives itself all the power to set fees through orders in council.

Parliament is bypassed once more as the body that decides issues for Canadians. This proposed new tax will punish those who have finally achieved a harvest worthy of their effects.

Just as a previous Liberal government crippled the western Canadian economy by placing punitive taxes in place for the oil industry, this government now intends to place punitive taxes on fishermen who do not manage to get a decent catch.

If fishermen obtain a catch large enough to cover their bills, large enough to give them a decent living once again from the ocean, those members opposite intend to raise their fees to the point at which fishermen will be simply taxed out of business.

The east coast fishery has had enough hard luck and has had enough businesses driven to extinction through failed government management of the fisheries without having government finally drive the last nail in the coffin by higher and higher taxes. Of some of these smaller and medium fishermen the government

will demand tax increases as high as 400 per cent over current levels.

We from the west understand the social disintegration and punitive taxation imposed by an uncaring federal government and what that can create. We from the west know how punitive taxation can cause breakdowns of marriages, losses of homes and an increase in alcoholism, suicide, bankruptcies and affect many other social programs. If the bill is passed the east coast will experience the same.

U–Hauls behind cars driven by grim faced drivers will proceed like caravans down east coast highways as those forced from their homes seek employment in other areas of the country.

As Canadians trying desperately to keep their families and homes together on the east coast know, times are hard enough without the government making it worse.

I oppose the bill not because of what the government says it does but because it does not do what it says it will. The bill will give cabinet dictatorial powers and remove the elected representatives chosen by the people of Canada from that decision making process. The bill will continue a policy adopted by the Prime Minister that elected representatives must not be responsible for their constituents.

The Prime Minister stated that members of his party who support their constituents and not decrees from the top will not get their nomination papers signed or will be punished in other ways.

We have already seen these threats in practice when some members who followed constituent wishes were removed from their committee posts. The bill will give the cabinet even more power to punish the east coast representatives of its party who vote the wishes of their constituents and not the wishes of the ministers' inner circle.

The bill will not consolidate the operations of various government departments related to the fisheries or oceans but instead will allow another level of bureaucracy to be formed.

It is very clear the government has no desire to reduce the taxation load on all Canadians by bringing in efficiencies in any department. The minister is probably the worst offender.

Canadians are tired of larger and larger government taking more and more money from their pockets. The justice minister recently appointed 11 supporters, failed candidates and fundraisers to taxpayer funded posts within his department.

Liberals love larger bureaucracy because that gives them places to appoint people at taxpayers' expense, while this bill will create another bureaucracy for the government to fill patronage appointment positions.

We agree fisheries and oceans should have jurisdiction over the coast guard and marine science but only if it will save money by ending duplication. The bill simply will not do that.

• (1610)

We agree that small and medium size fisheries are the lifeblood of many east coast families. The bill will create punitive taxation that will destroy their very livelihood which the government states it will defend.

Under those circumstances the members opposite elected to represent constituents dependant on the fishery to survive absolutely must vote no. All decisions on future actions, be they fee increases or regulation, will be enacted by special interest participation with cabinet and not Parliament.

Special interests will dominate environment discussions relating to fisheries or oceans and paralyse realistic growth or use of fishery or development of ocean related industry. Just as they have with issues relating to realistic and safe development within Canada's borders, special interests will again have the ear of the minister.

Here is an example of how special interests have held up needed expansion in the country. I am thinking of the TransCanada highway through Banff that had been planned and put off for years even though study after study said the twinning of the highway could be done with more than adequate concern for large animals ranging throughout Banff. Thankfully this type of process has come to an end and that twinning will commence. However, many serious injuries and possibly needless deaths of motorists have occurred because government would not listen to the voice of reason and preferred to hear the voices of special interest groups.

Even a study by Parks Canada officials said the improvements could be done on this stretch of road without harm to the environment. However, it was not until the government lost two frivolous court cases that were only instituted to appeal the special interests having the government's ear did the harassment stop.

How long will needed projects, realistic economic development and opportunities to enhance the lives of those living near the oceans be delayed? The bill would impose a duty on the minister to collaborate with all interested persons.

I cannot support the bill. With all honesty I do not see how any member whose constituents depend on the ocean for their livelihood can support the bill. I am certain those members opposite will be told they must vote according to the decree of the few and not according to the wishes of many. That is the saddest point of all.

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Madam Speaker, I thank the hon. member for his speech. I listened very closely.

His speech is very similar to the speech made by the member for Skeena. I do not want to repeat some of the remarks I have already made. I once again remind him he should read the budget. He has put forward concerns about the licensing fees which were budget items in February 1995. For every $5 in cuts there is only $1 in cost recovery. This is part of the cost recovery. The hon. member should also keep in mind there was public consultation right across the province.

More to the point, hon. members often mention special interest groups. When special interest groups represent the ideology of these people they work hand in hand. They are holding hands with special interest groups. Look at the gun lobby. They are joining hands with the gun lobby so they should not tell us about special interest groups. When they represent their view, they are happy to work with them.

The licence fee was $30. For those who use the resource, it does not matter if they have a landing value $12,000 or a landing value of $1 million. The fee was an insignificant amount of $30. Now those people who take the most from the resource will pay a higher amount. It is a public resource. They have a beneficial access to that resource that not everybody has only because they have to pay that licensing fee. Should we charge the same amount?

• (1615)

Should we not charge those people who take more out of the resource? The figure of 400 per cent was used. Some fisherpersons make $1 million in a six to eight-week fishing season. Their fee is only going to be 1.6 per cent of their landed value. Do you think that is a huge burden on those people? Obviously, this amount is going to be rated depending on how much the landing value is. If there is a higher landing value then more will be paid. I do not think 1.6 per cent is very much. I am wondering if the member thinks that is too high.

Mr. Kerpan: Madam Speaker, this government always amazes me. I remember very well right after the 1993 election one of the highlights mentioned throughout the media was that this government would be more open to consulting people involved in any industry when it was building policy.

There is case after case. For example when agriculture policy is made no farmers are consulted. When justice policy is made no policemen are consulted. The Minister of Justice talks well and long about how he consulted with the chiefs of police. That is a very small group. I am wondering why this government which talked a good game at the beginning of 1994 has suddenly gone back on those initial words.

I see the very same thing in this department. The parliamentary secretary talks about consulting the people. I have just come back from a trip to St. John's, Newfoundland. I had the opportunity to speak to some fisher people, as the politically correct term would be. I asked them exactly those questions. I found during my visit that the two biggest concerns the fish industry has are that there is far too much government, far too much bureaucracy, far too much red tape and that the ordinary common every day fisherperson is not consulted on policy making.

Mr. Dhaliwal: Madam Speaker, the hon. member talks about not consulting. In fact, if we look at every one of our policies whether it is human resources or the gun control bill, there has been more consultation done by this government than by any other government. There has been more consultation done by this government on this issue itself.

First, the government consulted the National Advisory Board on Science and Technology. Should we ignore its advice? Should we say it does not know what it is talking about? Then the members across would say we are not listening to these advisory boards. They are the ones who started it.

The minister continued with a vision for oceans management. In November 1994, 600 people and 200 responses were received. Consultation was done. In April 1995 the coastal provinces, the Northwest Territories and Ottawa were consulted. There were meetings in November and December 1994. The list goes on. The people consulted were academics, scientists and others in the fishery, people in the oceans industry, environmentalists, First Nations people and people involved in community development. How much more consultation do Reformers want?

We have heard one of the Reform members say many times that we were consulting too much. He has told the Minister of Justice to stop consulting and get to it. Members of the Reform Party should make up their minds.

One thing is for sure: this government takes its responsibilities seriously. We do the consulting and then we make the decisions. The problem is that Reform members do not always like the decisions and then they complain and say we did not consult. There has been ample consultation on this bill. The Reform Party member who is a member of the standing committee will have an opportunity to work further and put forward recommendations as they come before the committee before this bill goes to third reading.

Mr. Kerpan: Madam Speaker, I appreciate the remarks of the member opposite. The question I would have for him if I were allowed to give one would be: What about the issue of MPs pensions? Were the people consulted on that?

• (1620)

When I look at things such as this bill we are talking about today and the gun registration bill which was mentioned earlier today, I would ask the member opposite if he really, truly and sincerely believes that full consultation went on throughout all departments with this government. Perhaps he should go out on the street—I would be happy to accompany him—and ask the people if they have been consulted on Bill C–98, on Bill C–68 and on Bill C–85. I rest my case.

Mr. Derek Wells (South Shore, Lib.): Madam Speaker, I will begin by commenting on some of the statements made earlier by the opposition parties, particularly the third party.

We on this side of the House are concerned with the issue of access fees and the future of the inshore fishery. We are concerned with coastal communities and the effect that changes in the fishery will have on our coastal communities.

My province is the largest fishing province in the country in terms of landed value in tonnes. My riding of South Shore is the largest individual fishing riding in Canada. Therefore, we are concerned about these issues and I am particularly concerned.

The third party talks about the concerns of Atlantic fishermen and fisherwomen. This is the same party whose policy it is to relocate Atlantic Canadians out of the area. This is the party that would cancel the TAGS program which so many Atlantic fishers rely on. This is the party whose leader told Atlantic Canadians, particularly Atlantic fishers, last weekend to take 15 seconds and tell themselves the fisheries are dead. This is the party that purports to speak for Atlantic fishermen. Reform members go to Atlantic Canada for a weekend and become instant experts.

I want to tell members opposite that I have been meeting with these fishers all my life. I have lived in coastal communities in different parts of Atlantic Canada all my life.

I also ask the members opposite to read the bill because what they are speaking of is not what this bill is about. This bill is not about access fees. This bill is not needed to increase, if that is the government's wish, access fees. Some of the information being circulated is incorrect because those decisions have not been completely made. They are issues to be debated at another time.

I invite members opposite to come to the Standing Committee on Fisheries and Oceans when it takes this bill after second reading and begins reviewing it. At that point, after they get an understanding of what the legislation is about, then they can raise some of these issues.

I am pleased to take the opportunity to express my support for Bill C–98, the oceans act. This legislation takes an important first step toward the creation of a comprehensive, integrated oceans management strategy based on the principles of sustainable development. It provides the legal framework by which the various players in the ocean sector will be able to work together under the leadership of the federal government to protect the marine environment.

For the first time the bill gives statutory recognition to the tremendous importance of Canada's ocean territories. For this reason the oceans act is pioneering legislation. It is a bold step toward a new era in oceans management. It turns good intentions into concrete deeds and actions. It places Canada at the forefront of nations striving to implement the commitments of agenda 21 made at the United Nations Conference on the Environment and Development in 1992.

Canada's ocean regions are vast. The richness and variety of the resources almost defy the imagination. Imagine them and comprehend them we must. The future of many of our coastal communities and indeed of humanity itself depends on all of us building a deeper understanding of the incredible magnitude and fragility of this great ecosystem. It is for this reason that I want to take the time today to remind my colleagues of just how important the oceans are to the lives of Canadians and why the passage of the oceans act will be of such benefit to all.

• (1625)

I said that Canada's ocean territories are vast. This hardly does justice to the facts. Canada's coastline stretches from the Pacific through the icy waters of the Arctic to the Atlantic Ocean. At almost 250,000 kilometres it is the longest coastline in the world. This is just the beginning. Our continental shelf spans more than 6.5 million square kilometres making it the second largest in the world.

Together these great bodies of water have been pivotal to our country's evolution. Rich in biodiversity, the oceans have helped forge our sense of identity and have provided the means for transport, trading, communications and sustenance for many generations.

On our east coast especially, an entire culture has been built around shipping and the fishery. For 400 years or more the daily rhythms of communities up and down this rugged coast have centred on the ways of the sea. Nowhere is this more obvious than in my riding of South Shore where communities such as Shelburne, Lunenburg, Clark's Harbour and many others line the coast.

Today Canada's ocean industries no longer dominate our economic profile like they once did. However their importance to our national accounts and to the economies of our coastal areas should not be underestimated. Together the ocean sectors of fishing, shipping, oil and ocean manufacturing and services

account for almost 3 per cent of Canada's gross national product.

Last year despite troubles in the groundfish industry, Canadian seafood exports totalled $2.8 billion. Of this total, more than half came from Atlantic Canada with the crab, shrimp and lobster fisheries putting in an outstanding performance. Canada's aquaculture industry continues to grow despite stiff international competition. This is happening on both the east and west coasts.

Canada's oceans manufacturing and service sector is also growing, now comprising more than 300 high technology firms. This sector generates millions of dollars in revenue each year.

In addition Atlantic offshore oil and gas have finally come on stream. The Cohasset field off Nova Scotia began production in 1992. The giant Hibernia development off the east coast of Newfoundland is promising to employ some 20,000 workers once it begins production in 1997.

With growth like this it is easy to see why the oceans sector plays such an important role in the economies of our coastal regions. Together these industries have the potential to generate considerable wealth and prosperity.

The oceans also have a more indirect impact on the lives of Canadians. The world's oceans are a key part of the ecosphere, acting as a major environmental sink of carbon dioxide. In particular the world's oceans play a critical role in determining the rate of climate change and its regional variations. Globally this has many implications as it does here at home.

Scientists working with global climate models forecast that with global warming the oceans will change. According to these predictions there will be less upswelling which in turn will affect productivity. Already we have seen some evidence of this with the frequent reoccurrence of the El Nino effect in the Pacific in recent years. In fact some scientists believe that the El Nino may be a common factor contributing to changes in the fish population in both the Atlantic and the Pacific.

What does all this mean for Canadians? Disruption in the fishery? Drought on the prairies? Melting sea and land ice in the Arctic? We do not really know. Our understanding of both the ocean and the earth's atmosphere is not yet well enough developed. We can only assume that widespread climate change is likely to have a dramatic impact on ocean ecosystems around the world as well as to alter the entire range of human activity.

Clearly the oceans are of tremendous importance to Canada as a nation. They impact on our environment, our economy, our social structures and culture as well as on our sovereignty and defence. Even from this very brief sketch it is obvious that managing our oceans and their resources is a complex and challenging task. At no time has this been more true than at the moment. Each region and each activity within the ocean sector presents its own pressing challenges to policymakers at all levels of government and industry.

• (1630)

Let me give a few examples. On the east coast several issues stand out. First, there is an urgent need for scientists and fishermen to work side by side to improve methods of resource assessment and to achieve a better understanding of the dynamics which caused the collapse of the groundfish stocks.

Second, industry and government must continue to work together to revitalize the fishing industry.

Third, we must continue to build on the potential of the ocean manufacturing and service sector to act as a catalyst for the innovative diversified economy in the region.

In the Arctic, as in other parts of Canada, environmental issues take priority. Northern communities are deeply concerned with issues of climate change and the contamination of Arctic waters and resources. These are the issues the bill speaks to.

On the west coast international relations, climate studies and resource assessment are key. Strong measures are needed to assure the future of the Pacific salmon fishery. What is more, with the region's increasing population density, environmental issues are of growing importance. Issues related to the coastal zone management, marine environmental quality, ship standards and pollution prevention demand attention. That is what the bill is about.

These are not isolated issues. Rather they are interlocking pieces of one large puzzle. It is time to respond to them in a coherent and integrated fashion. That is what the legislation does.

The oceans act sets the stage for the development of a long range comprehensive vision for the management of Canada's ocean territories and marine resources. Our approach has two phases.

First is the introduction of enabling legislation. This is the oceans act that we are now considering. With the oceans act we are extending economic and environmental jurisdiction out to the 200 nautical mile limit permitted by the United Nations Convention on the Law of the Sea. We are consolidating legislation and clarifying the federal government's responsibilities for oceans. We are creating the legal framework for an oceans management strategy based on both the sustainable development and integrated management of our oceans and coastal waters. Contrary to what a Bloc member stated earlier, there is zero impact on powers between the federal and provincial governments.

The second phase is the development of the ocean management strategy. The oceans management strategy is currently at the developmental stage. We are consulting extensively with stakeholders about what should go into the strategy and we will continue to do so. So far our proposals have received strong support from almost everyone involved: fishermen, aboriginal groups, businesses, provincial and territorial leaders, academics and non–governmental organizations. Everyone sees the necessity for a new approach to decision making.

Canada can no longer afford to manage its oceans with partial ad hoc, short term measures. We can no longer afford to divide our decision making like so many pieces of the pie, with decisions on resource management made in isolation from decisions about shipping or environmental protection. We can no longer afford to have our experts, whether they be in government labs, universities, industries or on fishing boats, working in isolation of each other. It is time to bring all the elements together so that we can make the best decisions possible.

We must start to look at oceans issues through a wide angle lens so we can make choices based on the best interests of the entire ecosystem. Sustainable development is all about integrating economic, environmental and social considerations together into one policy framework.

What do we need to make it work? To start with, we need decision making that is open, transparent and based on sound science. We need a commitment to change from all parties involved and we need a new relationship among ocean stakeholders. I will elaborate.

• (1635)

First, we need a more open and more integrated approach to policy making. The oceans management strategy would see our approach to marine resource management change. Traditionally the federal government has carried out its responsibilities for oceans management on the basis of narrow sectoral approaches, in consultation with stakeholders but not in partnership with them. We recognize this must change, so we have begun a new relationship with other ocean stakeholders.

Second, ecological sustainability and economic viability depend on good science. To support these goals science needs to be multi–disciplinary, not limited by organizational structure, and responsive to changing needs and priorities. The oceans management strategy will foster partnerships involving government, academia, the private sector and environmental groups, ensuring that Canada's oceans science is once again at the leading edge of world knowledge.

Third, effective management requires a functioning ecosystems approach. Because ecosystems involve many interdependent physical and biological elements which cross lines of jurisdiction, scientific discipline and economic interest, an effectively functioning management system will have to take these factors into account.

These suggestions give an idea of the scope of the oceans management strategy. They also indicate how fundamentally an integrated management strategy would change oceans management in Canada.

Work on the oceans management strategy is just beginning. All the details have yet to be worked out. However I can assure all members that as the action plan for the oceans management strategy is put in place it will be developed in full collaboration among the federal government and ocean stakeholders. The government is committed to forging a new relationship with our partners in the ocean sector.

Stewardship of our ocean and coastal resources is a shared responsibility. Unless all those with an interest in the oceans agree to collaborate, to share information and to manage these resources in a careful and conservative manner, we will do irreparable harm to the environment. Canadians must work together if we are to protect the integrity and quality of the oceans environment and its resources for future generations.

The world's oceans have been described as the world's great heart, beating eternally. Canadians with their long relationship with the sea recognize this to be true. They understand also that it is time to make a commitment to their oceans. The oceans act is that commitment. It is the beginning of a new era of environmental stewardship and prosperity.

I look forward to reviewing the bill in committee. I invite other members to join with us in committee when we review the bill. Let us look at possible amendments that might improve the bill and bring it back for third reading. At that point it is my hope that we will have all–party consent. Once a thorough understanding is achieved by all members of what the bill is meant to do, we will have all–party consent, and I look forward to that time.

Mrs. Elsie Wayne (Saint John, PC): Madam Speaker, by tabling Bill C–98, the oceans act, the government has taken a step toward the recognition of offshore areas of the sea and protection of the resources in those areas. I feel this is a very good initiative.

As I see it the bill has three objectives: to recognize in domestic law Canada's jurisdiction over its maritime zones, to establish the legislation framework to support Canada's new oceans management regime, and to consolidate federal responsibilities for managing Canada's oceans. However there appears to be a great deal of overlap and duplication.

Can the government member explain to me where the duplication overlap is being eliminated in the bill? What measures in the bill reduce the level of bureaucracy? Why are the departments of environment and natural resources still in charge of oceans environmental and geological research? Why does the Minister of Fisheries and Oceans still have to receive authority from the foreign affairs minister for regulations under clause

25? Why does the minister have to seek authority from the Minister of Justice to make regulations under section 26(1)?

• (1640)

I feel very strongly that having 14 different ministers overseeing this matter makes it difficult. We should have one department and one minister, that is the Minister of Fisheries and Oceans.

Could the hon. member tell us exactly how we could make these changes and eliminate all the duplication?

Mr. Wells: Madam Speaker, I thank the member for her question. I would note that the member for Saint John who asked the question is an associate member of the Standing Committee on Fisheries and Oceans. These are issues that have been raised at the committee level, and they are good questions.

Concerns have been expressed by various members—she being one and others on this side of the House—that perhaps there should be more power consolidated in the hands of the Minister of Fisheries and Oceans.

When I invite the member—I know she will be there—and other members to talk about the consolidation of power, we will have to look at the various areas about which she speaks including the environmental area. We will have to see if some of the areas should perhaps be moved to the minister of fisheries. We can find out the rationale from the officials. Why is certain power still being left with the minister of heritage as far as marine parks, for example, are concerned? Why is the Ministry of the Environment retaining certain authority in certain areas? They are very valid questions.

As we get into a study of the matter at committee level we will ask those questions of various officials. It is my hope that at the end of the day there could perhaps be more consolidation of some of these powers. The committee process has to work. We have to seek answers and reasons from the various departments on why some of the consolidation has not taken place.

Without prejudging the process I personally feel that the minister of fisheries who is given certain authority under the bill should have more. The hon. member should agree that as a committee we need to look at that as a possibility.

I thank her for her question. I look forward to working with her in committee.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Madam Speaker, I am pleased to put a question to the hon. member, who also sits on the Standing Committee on Fisheries and Oceans.

Allow me to disagree with the hon. member. Since I believe he is a lawyer by training, he is used to reading laws. I also know that he was rather nit–picking on that issue during the last few meetings of our committee. As regards Part II of Bill C–98, why do we have to put in law a plan that will be developed for management purposes?

I would appreciate it if the member, who seems to have a lot of experience in that field, would tell us why we must pass an act merely to introduce or announce a strategy. That could have been done in a press release. The issue would have been well presented. People would have understood. Instead, the government is sending invitations all over the place. It wants to consult just about everybody.

I also ask the member to recognize the fact that there is no hierarchy in terms of the consultation process. Indeed, the provinces are put on the same footing as any other group when it comes to consultations. We, in Quebec, do not think that this is the way to manage. How does the member, who is from Nova Scotia, think that this strategy should be managed in his province, which borders the ocean? Will the provincial minister want to have a say, at some point in time, regarding this process? This is the sort of thing we have to look at.

Right now, the government is merely presenting a strategy and saying that it is willing to consult everyone. I would appreciate it if the member could tell us which new real powers are included in this bill.

• (1645)

[*English*]

Mr. Wells: I think it is fair to say that the hon. member and I see the legislation differently. As he made clear in his previous presentation to the House, he sees this as taking away authority from the provinces and giving it to the federal government. That is simply not the case. I have seen nothing and he has pointed out nothing in this legislation which would indicate this is what is happening.

This is a consolidation. It is not something that just happened over the last number of weeks or months. This discussion has been going on for years. As the minister indicated this morning, there has been an evolution here. We are going back to the 1970s or maybe before that when various powers and various consolidations were being discussed. A lot of things have happened internationally that we have to establish in our own legislation. There is a recognition in the act of the merger of the coast guard and DFO which is relatively new.

To suggest there is something in this legislation that is affecting the powers of the provinces could not be further from the truth. This legislation does not state that. The hon. member has not been able to point out to me either here in the House or during any discussion that this is what the legislation does. That is clearly not what is in the legislation and it is not the intent of

the legislation. I would suggest his motive is something other than trying to create a good piece of oceans legislation.

Mr. Mike Scott (Skeena, Ref.): Madam Speaker, I listened with interest to the hon. member's intervention.

The member talked about the TAGS program and how wonderful it was for Atlantic Canada. When Reform Party members were there talking to people in the constituencies in Nova Scotia, Prince Edward Island and New Brunswick we did not hear people giving large accolades for the TAGS program. As a matter of fact, what we heard was talk about corruption and talk about the way the TAGS program had distorted the marketplace, particularly the job market. No one I encountered had anything good to say about it.

The member is defending the government's move on licence fees. I wonder if he would tell the House whether he is going to poll his constituents because the story we heard in Atlantic Canada is that Atlantic Canadians are opposed to this. Will he poll his constituents and if they are found to be in opposition to Bill C–98 will he vote against the bill when it comes up for third reading in the House?

Mr. Wells: Madam Speaker, my only comment is that I would suggest the member shows a total lack of understanding of Bill C–98. Bill C–98 does not deal with access fees. He should read it and determine what it states. Talking about fishermen, I convene my own round tables in my riding to speak to fishermen's organizations on a regular basis. I know what the fishermen's position is on access fees. This bill is not about access fees.

I invite the member to read and understand the legislation before he asks questions that are totally irrelevant because that is not the issue. The question of access fees is certainly relevant but not as part of this legislation. There is going to be a new fisheries act and other things that we are going to discuss on this issue. It is a very real, important and serious issue which I have dealt with not just as of last weekend, like the hon. member, but is one I have been dealing with for years.

Mrs. Diane Ablonczy (Calgary North, Ref.): Madam Speaker, for Canadians watching this debate I would like to preface my remarks by saying that what we are debating is Bill C–98, an act respecting the oceans of Canada.

The bill essentially deals with two issues relating to oceans. First, it deals with part of the oceans we designate as the oceans of Canada. Second, it deals with something called an oceans management strategy. I would like to direct my remarks on the oceans management strategy and some of the aspects that are of concern particularly to fishermen.

• (1650)

I listened with great interest to my hon. colleague opposite who just spoke. It was very interesting to hear the poetry and the talk about ocean ecology and all those good things. I would like to be more practical in this debate and talk about how we make sure that we have fish resources to harvest.

Other speakers have mentioned the enormous value to the Canadian economy of fisheries both on the east and west coasts and our inland fisheries. This is not a resource to toy with. It is not a part of our Canadian workforce that should be treated lightly because this has really a lot of impact for a great many Canadians.

I would suggest that there has been a bit of a misnomer about our oceans management strategy to date; it has been more oceans mismanagement. We see an oceans resource in complete disaster. So far there has been an unprecedented groundfish crisis on the east coast and we are minutes from disaster on the west coast particularly in the Fraser River fisheries.

We also have a population dependent on a resource that can no longer sustain a very large number of Canadian workers. There is a real pressure of numbers in the fisheries that is not going to go away and cannot be supported artificially forever.

We also have a minister who I suggest is not really dealing with these domestic issues. He is busy playing Captain Canada, talking about building his media image internationally. Even when his parliamentary secretary enters this debate it is to talk about the wonderful international image of the minister. That does not put food on the table of the fishermen of this country.

I think everyone would welcome a positive change in the way we are managing the fish resources and our oceans resources because we have a track record in this area that is not very inspiring to say the least. We look at the management strategy that is being put into place as a result of Bill C–98. We are looking for positive change. We are looking for changes to address some of the mismanagement of the past.

What do we see in this bill? We see two things that have not brought any relief, any hope or any positive response from the fishermen of this country. First, we have a government department that will become even more bloated but there are no precise lines of authority or management plan to help this increased government department do a better job of the mandate it has been given to manage the fisheries.

Second, the doors are being opened in this bill for increased fees on fishermen which the fishermen can hardly bear to shoulder. I quote from clause 50 of this Bill C–98 which states: "The minister may, subject to any regulations that the Treasury Board may make for the purposes of this section, fix fees in respect of products,

rights and privileges provided under this act". That is the section which has a lot of fishermen quaking in their boots.

The nice name of the oceans management strategy really hides an increased bureaucracy. The stated purpose of this increased bureaucracy is to get all government bodies to co–ordinate the related activities with respect to management and harvesting of the oceans. That is a good objective. It is an objective I think everyone in Canada would support. We certainly have a lot of cases in this country—my friends from the Bloc often like to talk about this—of where the right hand does not know what the left hand is doing. There is duplication and interference between different levels of government and different government bodies. That of course leads to a great deal of inefficiency and an enormous unnecessary cost. Pruning that back, streamlining and making it more efficient, downsizing, is what needs to be done. It is of course also what is being done across the board in the private sector. Organizations are flattening, downsizing, becoming more efficient and we have been calling for a long time for government to do the same.

• (1655)

We fail to see how this is going to happen by adding more layers of bureaucracy and more complexity to the workings of the department. There is no process identified in this bill to ensure more effective co–ordination. It is simply stated as a nice goal. A lot of roads are paved with good intentions but we need to see some real specifics in the way we set out our legislation if we hope to accomplish the stated aims.

In fact, there are no penalties or even any other consequences to any of these bodies that are supposedly being co–ordinated for failing to work in concert. We have more bureaucrats, more activity, more process being added, but no power to initiate activities that would get the objectives met or to ensure compliance by all the bodies that are to be co–ordinated. There is no concrete planned agenda at all.

If this government is serious about the management of oceans, we believe it would give real power to the managing body. Management is only possible when there is some real authority and that is simply not happening. In fact, if government would stop thinking of ways to tinker with the system creating bloated government departments and instead get on with the job of protecting a valuable resource, everyone would be a lot better off.

The Department of Fisheries and Oceans is already a top heavy organization. Fishermen on both coasts will tell of their frustration in dealing with a department based in Ottawa which does not understand what their needs really are. Passing this bill would not send a positive message to these people who are already very frustrated.

It is now abundantly clear that the Minister of Fisheries and Oceans is not committed to downsizing his bloated department. He would rather try to slip a new level of bureaucracy into his department under the guise of broad consultation rather than deal with the harsh realities of downsizing.

Canadians want less government and that is a message which must be sent over and over. Government members must get that message: Canadians want less government. They are tired of supporting and wrestling with and trying to deal with a huge and inefficient bureaucracy when they are trying to make a living and trying to live their lives and build their futures.

In Canada there are over 6,000 fisheries officials and they manage 65,000 licences. We have 6,000 officials and 65,000 licences. The department operates with a budget that exceeds three–quarters of a billion dollars and that is just for administrative costs. Clearly, there is room here for a little cost cutting to be taken at the top of this department, a department with over 6,000 officials and a budget of three–quarters of a billion dollars.

Madam Speaker, I am sure everyone will be waiting with bated breath to hear the end of this story after the vote.

The Acting Speaker (Mrs. Maheu): I advise the hon. member that private members' hour is after the vote and that the next time the bill comes before the House she will have 10 minutes remaining.

* * *

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mrs. Maheu): It being five o'clock, pursuant to Standing Order 45(5)(a) the House will now proceed to the taking of the deferred division on the amendment of the hon. member for Kootenay West—Revelstoke at second reading stage of Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances.

Call in the members.

(The House divided on the amendment, which was negatived on the following division:)

(Division No. 337)

YEAS

Members

Abbott	Ablonczy
Benoit	Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)	Chatters
Cummins	Duncan
Epp	Forseth
Frazer	Gilmour
Gouk	Grey (Beaver River)
Harper (Simcoe Centre)	Hayes
Hill (Macleod)	Hoeppner
Johnston	Kerpan
Manning	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest/Sud–Ouest)
Meredith	Mills (Red Deer)
Morrison	Ringma

Schmidt
Solberg
Stinson
White (North Vancouver) —35

Scott (Skeena)
Speaker
Strahl

NAYS

Members

Adams
Allmand
Anderson
Assad
Asselin
Bachand
Barnes
Bélair
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bhaduria
Blondin-Andrew
Bonin
Brien
Brushett
Calder
Caron
Chamberlain
Chrétien (Frontenac)
Collenette
Cowling
Crête
de Jong
Deshaies
Dhaliwal
Duhamel
Dupuy
Eggleton
Fillion
Flis
Gagnon (Québec)
Godfrey
Graham
Guarnieri
Guimond
Harper (Churchill)
Hickey
Hubbard
Irwin
Jacob
Keyes
Knutson
Lalonde
Langlois
Laurin
Lebel
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loney
Maclaren
Maloney
Marchand
Marleau
McGuire
McTeague
Mercier
Mills (Broadview—Greenwood)
Murphy
Nault
Nunziata
O'Reilly
Paradis
Parrish
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Reed
Richardson
Robichaud
Sauvageau
Serré
Sheridan

Alcock
Anawak
Arseneault
Assadourian
Augustine
Bakopanos
Beaumier
Bélanger
Bernier (Gaspé)
Bethel
Blaikie
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Canuel
Catterall
Chan
Clancy
Copps
Crawford
Culbert
de Savoye
DeVillers
Dromisky
Dumas
Easter
English
Finlay
Gaffney
Gauthier
Goodale
Grose
Guay
Harb
Harvard
Hopkins
Ianno
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Richmond—Wolfe)
Lincoln
Loubier
Malhi
Manley
Marchi
Massé
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Mifflin
Minna
Murray
Nunez
O'Brien
Pagtakhan
Paré
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Regan
Rideout
Rocheleau
Scott (Fredericton—York—Sunbury)
Shepherd
Simmons

St. Denis
Stewart (Brant)
Szabo
Telegdi
Torsney
Tremblay (Rosemont)
Volpe
Wells
Wood
Zed—169

Steckle
Stewart (Northumberland)
Taylor
Thalheimer
Tremblay (Rimouski—Témiscouata)
Ur
Wayne
Whelan
Young

PAIRED—MEMBERS

Bélisle
Bertrand
Caccia
Cauchon
Daviault
Discepola
Fry
Gerrard
Gray (Windsor West/Ouest)
Ménard
Robillard

Bellehumeur
Bouchard
Cannis
Dalphond-Guiral
Debien
Duceppe
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godin
Jacob
Proud
St-Laurent

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare the amendment negatived.

[*English*]

It being 5.30 p.m. the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

ENERGY REGULATIONS

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.) moved:

That, in the opinion of this House, the government should move to streamline administrative and regulatory processes in the energy sector with the objective to minimize unnecessary regulatory burden.

He said: Madam Speaker, it is a pleasure to rise to speak in favour of Motion No. 434 which states:

That, in the opinion of the House, the government should move to streamline administrative and regulatory processes in the energy sector with the objective to minimize unnecessary regulatory burden.

For an entrepreneur in the energy industry, negotiating the maze of government regulations is almost as great a challenge as overcoming the technical and physical problems of a program. Satisfying the demands of a multiplicity of regulatory boards and agencies, often at three levels of government, is like walking on fly paper; no sooner is one bureaucratic condition satisfied than the applicant's feet become glued to another sticky spot.

This is not unique to the energy sector. All phases of Canadian activity are mired in regulations and each successive government seems determined to pass more laws and make more rules. The old adage that the best government is the one that governs least has been all but forgotten. We are well on our way to terminal social and economic constipation.

The passion for filling out forms requiring the approval of platoons of bureaucrats is not new. This destructive waste of time and resources contributed mightily to the downfall of the Hapsburg, Ottoman and Soviet empires and was the leading cause of the collapse of the Manchu dynasty in which generations of China's brightest and best wasted away in an atmosphere of useless paper shuffling; thus the French word chinoiserie.

The curious aspect of energy sector over regulation is that almost everyone, including senior politicians, recognizes the problem. In April 1993 the Conservative government commissioned a review of federal regulations to "identify those that significantly reduce the competitiveness of Canadian industry" or impose needless costs on the consumers.

A report was released in October 1993 just in time for the election and some of the panel's recommendations have actually been acted on. Several sets of redundant regulations have been or are in the process of being revoked. These, however, were purely Natural Resources Canada regulations. It does not address the problem of the overlap of federal and provincial regulations, and regulatory conflict between various government departments is a much more serious matter.

Only the federal Minister of the Environment seems to be oblivious to the problem; witness her unseemly remarks and confrontational attitude during question period earlier this afternoon. This overlap, believe it or not, is most pervasive in her bailiwick in situations in which environmental protection is at stake. There is also overlap in matters affecting worker health and safety and the transportation of dangerous goods.

The multi–tiered environmental permit problem has been recognized by the Minister of Natural Resources. She has stated in an open letter to the Northern Miner that the government is committed to addressing this issue: "The goal is a single window approach".

Those words are music to every Canadian petroleum and natural gas producer and marketer and also to people in the mining, forestry, agricultural and transportation industries.

The Liberals, through their minister, have expressed a policy. Now I would truly like to see them act on it. Then we could stand back and watch the revitalization of our resource based industries.

For a classic example of regulatory overkill, I suggest we look at the Atomic Energy Control Board. Actually, I would rather not look at it since it is one of the few federal entities that continue to grow like a giant fungus in spite that its workload has been decreasing for a decade. Be that as it may, it is the major player in the regulation of the nuclear industry, all the way from mining to waste disposal.

• (1735)

Unfortunately the AECB is overlapped both provincially and federally. At the extractive level the provincial mining departments make regulations. The provincial environment departments make regulations. The federal environment department makes regulations and throughout the entire nuclear cycle various provincial occupational health and safety divisions make regulations.

When all other hurdles have been cleared there are still municipal zoning laws to contend with. I am aware of one instance in which a proposed uranium refinery facility in Saskatchewan was killed by the local government not on technical grounds but for purely political reasons.

Then we have review panels. They have no authority, no legal standing but they can delay projects for months simply by being in session.

In 1993 a joint federal–provincial environment assessment review board spent several months studying proposals for three uranium mining developments in Saskatchewan. It made three recommendations and the Saskatchewan government cheerfully ignored one of them with the blessing of the federal government. Why did it spend all that time doing the studies? Who knows.

It is time for the various provincial and federal departments to sit down together and develop a single window permitting system for uranium mines. Developers are entitled to know before the first shovel full of dirt is dug if in terms of economic benefits versus the social and environmental costs it makes sense to proceed with a project.

The second major national player in the regulation of the energy industry is the National Energy Board which controls all interprovincial movement of oil, gas and electricity. It also controls international trade in those commodities. Conflict exists to the extent that provincial interests are often contrary to what the National Energy Board considers to be the national interest. Who can ever forget the national energy program?

On the other hand, there is a good example of federal provincial co–operation in the offshore boards which regulate what goes on under the sea. These boards could serve as a pattern and a model for eliminating the problems caused by competing federal and provincial environmental agencies.

To get back to the environmental agencies, they are not energy regulators per se but they have a tremendous impact on the industry. There are instances of projects being environmentally approved at the provincial level only to have further studies and interminable delays demanded by a federal department. I am sure other hon. members will have something to say about that.

The energy industry needs relief, not so much from taxes as from the ocean of paper it is required to swim through. An industry that accounts for 7 per cent of our gross domestic product and which directly or indirectly provides employment for 620,000 people is entitled to reasonable consideration and rational treatment.

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Madam Speaker, I rise to address the motion put forward by the hon. member for Swift Current—Maple Creek—Assiniboia.

My colleague has informed the House about steps the government is taking to reduce regulatory overlap and duplication in the Canadian nuclear sector.

[*Translation*]

I would like to take this opportunity to give the House an overview of the initiative undertaken by the government in other sectors of the energy industry in order to meet these objectives.

[*English*]

Before I do, however, I remind hon. members that the very basis for these efforts is the government's commitment to a market oriented energy policy. We believe the energy industry must have the flexibility to adapt to changing market circumstances if it is to continue to contribute to Canada's economic prosperity. That means keeping government intervention in the marketplace to a minimum.

• (1740)

Nevertheless, there is a need for regulation in the energy industry just as there is a need for regulation in other sectors of the economy. As my colleague noted, the challenge is to achieve a regulatory framework which protects the public good but does not unnecessarily inhibit the industry. Achieving this balance requires the government to be constantly mindful of the impact of its regulatory activities on the industry.

The agency primarily responsible for regulating Canada's oil, gas and electricity sectors in the areas of federal jurisdiction is the National Energy Board, the NEB. The board was established in 1959 under the authority of the National Energy Board Act, and for the past three and half decades it has done an excellent job in meeting the needs of both government and industry in administering a reasonable and balanced regulatory regime.

Under the act the NEB sets tolls and tariffs for oil and gas pipelines and also approves the construction of pipelines and designated power lines under federal jurisdiction. The board also authorizes the export of oil, gas and electricity and the import of gas.

The National Energy Board is an independent quasi–judicial body which reports to Parliament through the Minister of Natural Resources. It is comprised of nine members, all of whom are appointed by governor in council.

Matters relating to tolls and tariffs, minor construction and short term import/export orders are the exclusive jurisdiction of the board. However, decisions requiring certificates of public convenience and necessity and export and import licences must be approved by the governor in council.

The NEB has proven to be an extremely effective regulatory body. In my view the board will be even better positioned to meet industry needs in the future as the result of recent initiatives it has taken to modernize, streamline and simplify its regulatory processes and requirements. These initiatives are in direct response to 13 recommendations the board received in October 1993 from the Minister of Natural Resources advisory panel on regulatory review.

I am pleased to inform the House the board has moved swiftly and effectively to address each of these recommendations. For example, the NEB has revised many of the processes and requirements for filing information with the board with the overall objective of easing the administrative burden on industry. Among other things, the board is implementing an electronic regulatory filing system for all regulatory filings. As well, it has taken industry views into account in revising its guidelines for the filing of information by companies applying for certificates of public convenience and necessity.

The board's guidelines for preparing a social economic impact assessment for pipeline projects have also been revised to reflect new legislative requirements and to avoid overlap and duplication with other statutory requirements.

The National Energy Board has also demonstrated its ability to adapt to change in the natural gas market by revising its rules on how gas can be moved on pipelines. Earlier this year the board decided to end its ban on selling pipeline transportation rights at prices above the regulated toll, which will help ensure the available capacity is allocated in the most efficient manner.

The board also decided against requiring that available pipeline capacity be posted on electronic bulletin boards since this secondary transportation market has been working well without any such regulation.

In August 1994 the National Energy Board issued revised guidelines which will make it easier for pipeline companies, producers, shippers, consumers and governments to resolve tolls and tariff issues through negotiation rather than formal NEB hearings which are costly to all parties.

In another cost saving measure for the industry, the board decided to set the cost of capital for group 1 pipeline companies for multi–year periods rather than on an annual basis. This will reduce the expense associated with annual hearings for each pipeline by reducing the length of the hearings.

The National Energy Board is also endeavouring to reduce overlap and duplication by working more closely with provincial regulatory bodies.

• (1745)

For example, the NEB and the Alberta Energy and Utilities Board have signed two memoranda of understanding, the first to implement a mutual aid agreement for pipeline incidents in Alberta and the second to establish a common reserve data base.

Under the first MOU, when an incident occurs on an NEB regulated facility the Alberta Energy and Utilities Board will, at the request of the National Energy Board, provide emergency response assistance. If the incident involves a provincially regulated pipeline the NEB will be available to provide emergency response investigation assistance. The end result will be a faster, more effective response by both boards to pipeline incidents in Alberta.

Under the second MOU the NEB and the AEUB will share geological and reservoir information for natural gas and crude oil pools. The sharing of information will result in a common reserve data base for Alberta. The beneficiaries of this most efficient method of maintaining estimates of reserves will be the oil and gas industry and the taxpaying public.

[*Translation*]

I could go on and on about the efforts made by the National Energy Board to reduce the overlap and duplication and to streamline the administrative requirements. However, my goal here is only to give the hon. members an overview of the recent measures taken by the Board to improve the regulatory framework for the oil, gas and electricity sector.

[*English*]

I would urge the hon. member for Swift Current—Maple Creek—Assiniboia to seek a full accounting of the NEB's regulatory reform initiatives directly from the board. I believe he will be impressed with the progress that has been made to date. The record will clearly indicate that this government not only endorses the objective of reducing the regulatory burden on the energy industry, but it is actively pursuing that objective on a day–to–day basis.

[*Translation*]

Mr. Bernard Deshaies (Abitibi, BQ): Madam Speaker, I welcome this opportunity to speak to the motion standing in the name of the hon. member for Swift Current—Maple Creek—Assiniboia: "That, in the opinion of this House, the government should move to streamline administrative and regulatory processes in the energy sector with the objective to minimize unnecessary regulatory burden".

I think the hon. member's motion is particularly relevant at a time when one of the items on the government's parliamentary agenda is Bill C–62, the Regulatory Efficiency Act, and in fact I hope members of all parties will work together to find an effective way to make regulations flexible and refrain from policies that are counterproductive.

The motion of the hon. member for Swift Current—Maple Creek—Assiniboia deals indirectly with a set of regulations that are so rigid they often cause more harm than otherwise in the energy sector. The hon. member's motion could also apply to other areas as well and in fact to practically any area of human activity, since almost everything we do is regulated.

This motion also leads us to question the advisability of having so many levels of government, each with their own regulations, federal, provincial and even municipal. All these levels of government have their various departments, each with the authority to veto the other's initiatives, which means that obtaining a single permit may be a very lengthy process. In this respect, the director of a new mining development, the Troilus project north of Chibougamau in Quebec, pointed out in an interview with Radio–Canada that he needed no less than 37 certified permits before he could start his project.

On the basis of his own experience with the Troilus project, he also said in the interview that he realized why Canada now ranked only fifth in the world as a country that was attractive for mining exploration. It was mainly because of its undue regulatory burden. Although he made it clear that he was not in favour of more flexible environmental regulations, he did point out that competition between various levels of government and various departments made the work of developers unnecessarily complex and was not conducive to economic development.

At the federal level, the number of regulations is impressive. It is enough just to flip through the 14,420 pages of the *Consolidated Regulations of Canada* of 1978 and the 4,277 pages of the *Canada Gazette*, part II, for 1994 alone.

• (1750)

The regulatory process, which is intended among other things to lighten the legislative process of which it is a part, has had the opposite effect over the years, adding to the number of standards without necessarily improving quality.

There are therefore a growing number of increasingly complex and technical regulations, and this has resulted in a considerably more complicated administrative burden for Canadian taxpayers. It would be appropriate to assess the impact of

this situation upon the competitiveness of Canadian businesses and even upon the Canadian economy as a whole.

I would like to cite one example of a situation in which two legitimate objectives are at cross–purposes in responding to two different safety requirements, the example of an infant crib with a drop side to make it easier for disabled parents to use. Such a crib cannot meet crib safety standards, which require the sides to be fixed, when the side needs to be lowered to ensure safe access for disabled parents. This regulation runs counter to the needs of disabled parents and presents an enormous obstacle for them.

One could readily imagine some mechanism to reconcile these two objectives, if a worthwhile instrument for doing so were created, instead of stupidly allowing the regulations to control the situation.

As the member for the Abitibi region I have often had to intervene in order to help speed up the administrative process for projects held up by the application of outmoded regulations. For example, the Grevet mining project near Quévillon in the Abitibi region had to wait 15 months to obtain environmental approval.

In order to get these approvals, authorizations from the Departments of Environment and Indian Affairs, among others, also had to be obtained, because the area is close to the James Bay reserve and the Cree territory. Here again, we can see that the federal government, by interfering in provincial jurisdictions, is creating overlap that only makes regulations more cumbersome, so that processes needed to administer them are more complex and more confusing.

This is not new, at least for the official opposition, that has spent a lot of its energy trying to make the federal government understand that its policy of centralizing everything too often causes more harm than good.

The oft–requested creation of a single window for permits or any other activity requiring the cooperation of several governments or departments has become more than essential and our economy's viability depends on it.

In the energy sector, the situation is no different. At the national level, a number of major players are involved in the regulatory process and somehow competing with each other. The federal government, through the National Energy Board or Natural Resources Canada, also adopts regulations, thus adding to the competition between federal and provincial environmental agencies.

This undue regulatory burden has a disastrous impact on the energy sector. My colleague from the Reform Party who showed an interest in the vitality of Canada's energy sector and the well–being of his fellow citizens is seeking with his motion to express his concern that regulations are strangling industry and, in turn, all Canadians.

As I too am concerned about the mining industry, I can say that the decline of investments in mining exploration clearly illustrates the disastrous effects of a double, and even triple layer of administration, because the excessive number of regulations is only one of the important factors in the decline of mining investments.

The mining industry is linked to the energy sector because it accounts for close to 13 per cent of the total energy demand of industry in Canada and Quebec, and it is suffering needlessly as a result of this situation. Why does the federal government let this situation, that impacts so negatively on our economy, go on?

Any businessman will tell you that a bad organization makes you lose time and, as you know, time is money, which means that in the end it could have dire consequences for the company. We are not talking about a small business here, but about an industry that accounts for 7 per cent of Canada's and Quebec's GDP or $45 billion each year.

This is far from the single window concept which I talked about earlier and which would allow for the simplification of the administrative process. We know of projects that were approved by the provincial government but rejected by the federal government. Conflicts arise because each level considers itself to be the only one that has the power to regulate.

• (1755)

To conclude on this motion, I would say that we obviously have to rationalize without delay the administrative process and its regulations in the energy sector. Too many agencies, companies and individuals are paying the price of this duplication and these useless conflicts.

The federal government should, in the interest of everyone, simplify its regulations, leave to each level of government its own regulation–making, even if it has to resort to single windows to deliver permits when an act applies to a provincial area of responsibility.

It is a good thing that the rest of Canada has begun to talk about rationalizing the role of each government. In Quebec, we have been asking for that for a long time.

[*English*]

Mr. David Chatters (Athabasca, Ref.): Madam Speaker, I am pleased to rise today and speak to my colleague's motion.

The streamlining of regulations has certainly for many years been a popular political topic in Canada. Governments have been talking for years and in spite of that relatively little has happened in streamlining and reducing overlap in regulations between federal and provincial governments.

As far back as 1978, Prime Minister Trudeau entrusted the Economic Council of Canada with the task of reviewing government regulations in certain sectors. Among other things, the study was to focus on the relevance and impact of regulations. The council proceeded to look at a number of sectors, notably

telecommunications and occupational health and safety. This seems to show, as my colleague mentioned, that over–regulation is certainly a problem in many sectors other than the energy sector.

The council generally recommended that routine regulations and agreements be codified and made public at all levels of government. The aim of this recommendation was to ensure a clearer grasp and understanding of the scope of regulations.

In the second recommendation, pertaining to products and development projects, the council recommended that in instances when responsibility for a particular sector was shared between the federal government and the provinces, a single department should be assigned responsibility for co–ordinating the activities of participating departments. Of course that is the single–window approach that the previous speaker mentioned. Businesses would thus waste less time than they do when they have to deal with all the departments of government.

In September 1984 Prime Minister Mulroney announced that he was setting up a ministerial task force to review all federal government programs with a view to making them simpler and more accessible. Nineteen study teams composed of public and private sector individuals were formed and mandated to review 989 programs accounting for expenditures of $92 billion. One of the study teams focused on regulatory programs.

Not specifically mentioned in the program review appended to the report is a list of federal programs considered problematic in terms of provincial relations. Problems identified had to do either with jurisdiction or overlap or with matters of information, policy, et cetera. Of the 134 registered programs identified, 86, or 66 per cent, were categorized as problematic in at least one province or territory, while 27, or 20 per cent, were found to overlap with provinces or territories. The task force observed the highest incidence of overlap in the case of environmental programs.

The study team reviewing regulatory programs concluded among other things that there was evidence of ongoing significant overlap and duplication between the two levels of government. It recommended that initiatives be adopted to improve the regulatory process. Specifically, it recommended that a study of overlap in the environmental sector be conducted. Moreover, the task force called for an immediate review of the overall burden imposed by the various levels of government. It concluded that Canadians were over–regulated and that it was important to cut down the number of regulatory levels.

So members can see that this is certainly not a new subject in Canada for political debate. It has been ongoing for years and years. It is the general consensus, I think, with all parties in Canada that all sectors are over–regulated. As we mentioned, today the energy sector is certainly one sector that is over–regulated.

In the spring of 1986 the government adopted a federal regulatory reform strategy. It called for all new regulations to be subjected to economic and social cost analysis. The public would henceforth be informed and involved in the regulatory process. For one thing, the process would not take so long. Furthermore, the current regulatory process would be streamlined to improve efficiency. These are very familiar terms, which we have heard many times.

• (1800)

One of the 10 guidelines for reform deals directly with the issue that interests us here. In the view of existing regulatory burden and the need to eliminate needless duplication, co–operation with the provinces was deemed to be a government priority.

To prove how serious it was, the government moved in the summer of 1986 to create the ministry of state for privatization and regulatory affairs. Although each department continued to be responsible for its own regulations, the office of privatization and regulatory affairs was put in charge of promoting the government's regulatory objectives.

With respect to program efficiency, considerable progress has been made since the strategy's adoption. For example, the average timeframe for regulatory approval has dropped substantially since the development of this office. According to the office, better inspection and enforcement mechanisms have been developed and overlapping regulations have been eliminated, at least to some degree.

Since 1987 the government has also released an annual federal regulatory plan. This publication gives an overview of forthcoming regulations. In each instance the purpose of the regulation is mentioned, along with the impact it will have.

The federal regulatory plan also includes a regulatory evaluation plan. In 1988 the office published a paper listing all the regulatory reviews and reforms undertaken by different departments. In all, 77 initiatives were identified. In 1991 the office was disbanded and responsibility for regulatory affairs was assigned to the Treasury Board.

After this general history and overview, we are still left with the same problem in the energy sector as well as in many other sectors. The reality of the 1990s is that we do not want complex and bureaucratic solutions to the problem of over–regulation. We need to adopt a different philosophy. Our primary focus has to be to simplify and eliminate regulations wherever possible. For those that remain we need to share the administrative responsibility with other partners. While quality and service have to remain a primary objective, we expect there will have to be a significant shift in the degree and type of interaction between the federal and provincial governments that create these regulations, regulatory boards that oversee them, and the

industry that must comply with them and in some instances be burdened by them.

The best way to examine the effects regulations have on a company is to look at a specific example of what I have been talking about up to this point. The National Energy Board was faced this year with an application by Foothills Pipe Lines Limited to construct the Wild Horse pipeline, which is an interconnecting link within Alberta from the Nova System to the proposed Altamont pipeline at Wild Horse on the Montana border.

The nature of the application and Foothills' approach to the National Energy Board raises fundamental questions with respect to the approval process for future pipeline facility expansion. Foothills' application stretched the limits of conventional National Energy Board facilities approval requirements in several important areas.

Under established approval procedures, a pipeline applicant must demonstrate that the facilities are needed, that there is a reasonable expectation they will be used for a significant portion of their useful life, and that tolls will be paid. The requirements are manifested in the demonstration of five aspects of supporting evidence: adequate supply in Canada to maintain incremental deliveries over time; a market assessment of sustainable demand for incremental gas volume; firm shipper contractual commitments for the new capacity for an extended term; specific contract market commitments to purchase the incremental gas; and specific dedicated supply to service these market commitments. The last two have been subject to some relaxation in other recent applications as long as a binding, firm shipper contract for the new capacity was in place. Where the application represents an expansion to existing facilities, rolled in tolling treatment has almost universally applied.

That is what Foothills was facing in the regulatory process in getting approval for this rather insignificant pipeline extension. What Foothills was seeking was pre–approval and certification to build facilities without demonstrable market support. As an alternative to outright approval, Foothills indicated that it would accept a conditional certificate that would require some further demonstration of shipper contractual commitments prior to construction.

As time is short, I will not go into more detail on the specific proposal. The point is that when the gas market was hot and Foothills wanted to build the extension on the pipeline to service that market the regulatory procedure was so complex and cumbersome that the market in reality was dried up before the regulatory approval system could be put into effect.

Therefore, in effect what we are talking about today is the streamlining of this regulatory process.

The Acting Speaker (Mrs. Maheu): There being no further members rising for debate and the motion not being designated as a votable item, the time provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper pursuant to Standing Order 96(1).

It being 6.06 p.m., the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.06 p.m.)

HOUSE OF COMMONS

Wednesday, September 27, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

IMPAIRED DRIVING

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, since 1980 the Canadian Centre for Justice Statistics has reported more than 100,000 charges for impaired driving in Canada every year. In 1993 alcohol accounted for one death or injury every five minutes.

Drinking and driving is the largest single criminal cause of death and injury in Canada. It is not just car related. Seventy–three per cent of all victims killed in snowmobile and all–terrain vehicle crashes had been drinking. Seventy–seven per cent of boating accidents were alcohol related.

Today I want to acknowledge the contribution made by Mothers Against Drunk Driving, MADD Canada, which has been actively working since 1981 to reduce deaths and injuries due to impaired driving and to help the victims and survivors of such tragic senselessness.

In this regard I would like to mention Lynne and David Magee and Barbara Rintoul of Wingham, Ontario, whose sons were victims of an impaired driver. These people have taken their tragedy and in dedication of young lives so needlessly lost, channelled their energy into positive action by forming the Huron—Bruce chapter of MADD Canada.

I would like to commend them for their strength at a time of such—

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, even though there are no partisan signs on it, last night vandals spray painted the No slogan on my home. Unfortunately, it seems that I am not the only victim of this type of rather excessive argument from frenzied partisans. There is no question that acts like the one committed on my property are a direct result of the excessive and intolerant comments we have heard in the past few days from spokespersons for the federalist side.

The comments by Garcia, Maciocia and others, who talk of treason and of crushing their opponents, have no place in a civilized and democratic debate. It is high time, before the referendum campaign turns sour, for Daniel Johnson to show courage by calling his spokespersons to order and clearly dissociating himself from their comments and provocative gestures. Since the Prime Minister allowed himself to say: "They will get clobbered", it is obvious that some of his supporters are taking him literally.

* * *

[*English*]

VIOLENT CRIME

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, Jesse Cadman, Sean Simmonds, Laurie Wood, Linda Williams, Chris Lussier, Paul McDaniel, Graham Niven, Sukhjit Sangha, Pam Cameron, Mindy Tran, Melissa Deley, Melanie Carpenter and the list goes on. These are not just names. They were people with family and friends who loved and cared about them, people whose hopes and dreams and possibilities were cut short because our criminal justice system and the government's lack of corrective action failed them.

The government allows a justice system to exist which is too lenient in sentencing convicted offenders and too generous in doling out parole. It consistently fails the victim.

Steven Carpenter, his family and supporters are calling for justice system changes. It is time the government listened to the people and did something meaningful and positive.

* * *

[*Translation*]

TAXATION

Mr. Gilles Bernier (Beauce, Ind.): Mr. Speaker, as the country faces a deficit and a spiralling debt, a study by the University of Quebec in Montreal reveals that we are losing billions of dollars in tax revenue because our tax laws are so generous toward large Canadian corporations. This study, in which Professor Léo–Paul Lauzon participated, looked at 767 large corporations established in Canada and showed that our tax laws allow many businesses to pay no taxes at all despite substantial profits.

As we are about to carry out a reform of social security, we should make fewer cuts to essential services and a few more cuts to tax loopholes of all kinds, including deferred taxes. It is high time to institute a minimum corporate tax. I hope that all levels of government will have the strength and courage to make the right decisions.

* * *

[*English*]

FORESTS

Ms. Colleen Beaumier (Brampton, Lib.): Mr. Speaker, on Thursday, October 12 I will be attending a ceremony in my riding of Brampton where In–Touch Graphics will announce its active partnership in the fight against deforestation in Canada.

In–Touch Graphics will commit itself to plant three trees for every single tree it uses for its printing requirements. This translates into 3,100 newly planted trees over the next 12 months.

Residents of Brampton can be proud that a local business is taking this environmentally responsible initiative. All Canadian companies that use large volumes of paper products should take notice and follow this example of good corporate citizenship.

Henry David Thoreau once wrote: "What is the use of a house if you haven't got a tolerable planet to put it on?" It is through responsible environmental initiatives like this one that Canadian companies can do their part to ensure that we live on a tolerable planet.

* * *

GUN CONTROL

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, last night St. John's City Council gave unanimous support for the government's gun control initiative, Bill C–68. City council's resolution was in response to a letter from the Canada Safety Council.

The city agreed with the safety council that the failure to pass this bill would undermine the efforts of people working in the criminal justice, safety and mental health fields.

City councillors know what the Reform Party refuses to acknowledge: the majority of Newfoundlanders support stricter gun control. As a member of the St. John's Women's Council said: "Placing restraints on weapons can only help public safety".

A number of headlines from the St. John's *Evening Telegram* also show support: "Gun control in Canada, the tougher the better", "Gun lobby scare tactics ineffective" and "A national gun registry? Of course, the sooner the better".

If the Reform Party and members of the other place truly want to represent the will of Atlantic Canadians they must support Bill C–68.

* * *

BILL C–45

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, I am proud to rise in the House today to speak in favour of Bill C–45, an act to amend the Corrections and Conditional Release Act.

Today many Canadians who have been victimized by crime appeared on Parliament Hill to voice their feelings and frustrations.

Bill C–45 is proof that the Liberal government has not forgotten them. The bill's intention is to make our streets and homes safer.

• (1405)

In our continuing efforts to strengthen penalties faced by offenders, the government has passed Bill C–37, Bill C–41 and has introduced Bill C–45.

While a strong justice system is vital in holding offenders accountable for their actions, tougher sentences and penalties are only half the solution. Prevention is the other half.

Each year Canadians spend approximately $9 billion on policing, private security, courts, corrections and insurance.

Studies such as the one conducted by High/Scope Perry reveal that high quality active learning—

* * *

[*Translation*]

BOMBARDIER

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, yesterday, workers at the Bombardier plant in La Pocatière gave their president, Laurent Beaudoin, a lesson in democracy. They will not let their boss tell them how to vote in the referendum.

This was not Mr. Beaudoin's first attempt at manipulating his employees to make them vote according to his political convictions. Back in 1992, he wrote his employees a letter stating his support for the Charlottetown Accord. This action was denounced by the chief electoral officer at the time and Mr. Beaudoin was later convicted of violating the Quebec Elections Act.

This week, Mr. Beaudoin commented that Quebec would be too small a country for his business. Yet his business was born and raised in Quebec and has been quite successful there. The Bloc Quebecois salutes the workers who have contributed to the success of Bombardier in La Pocatière and encourages them to remain steadfast in their beliefs. As a plant worker said, votes and work do not mix.

[*English*]

VIOLENT CRIME

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, for the third time in less than a year I rise in the House to comment on the murder of a young Surrey girl. In the early hours of September 6, 10–year old Melissa Deley was asleep in her bed, that is until Bret Neff decided to break into Melissa's house.

Neff left the house with the TV, the VCR, the family car and Melissa. Some time over the next few hours, Neff sexually assaulted and murdered Melissa.

Like Fernand Auger before him, Neff spared the Canadian taxpayers a great deal of money by taking his own life.

However we are still left with the legacy of three young Surrey girls, abducted at random by strangers from the street, the workplace and the home, sexually assaulted and murdered.

On this National Victims Day we remember those who fell prey to brutal and cowardly attacks. We must also commit ourselves in this House to ensure that Pamela, Melanie and Melissa did not die in vain.

* * *

INCOME TAX

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, it has been said that the only things certain in life are death and taxes. True for most of us, but not for Canadians wealthy enough to hire lawyers to concoct a tax free non–residency under the Income Tax Act, aided and abetted by the way Canadian tax law mollycoddles such tax avoidance.

By taking up residence in tax havens, wealthy tax refugees are not legally required to file tax returns or pay Canadian income tax on the wealth they have taken out of the country, and pay a much lower rate of tax on any remaining Canadian investment income. Meanwhile, they can and do spend a lot of time in Canada with family and friends and attending to business. After years of such behaviour, they can easily decide to take up residence again and benefit from things like medicare for which they have not paid.

Canadian tax refugees, like Americans, should be obliged to continue to file tax returns and pay Canadian tax while residing abroad. We should say to tax avoiders: Hasta la vista baby, but pay your taxes first. Republicans in the U.S. call such tax avoiders traitors. Let the record show that the NDP can agree with the Republicans on at least one thing.

[*Translation*]

QUEBEC REFERENDUM

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, the Canadian finance minister described as a separatist dream the proposed political and economic union between an independent Quebec and Canada.

On December 3, 1993, the PQ leader himself raised serious doubts about the feasibility of such a partnership with Canada soon after Quebec's separation. He said that believing that, upon Quebec's declaration of sovereignty, we will be able to negotiate a multitude of economical and political changes with Canada is like asking for the moon.

The Minister of Finance is right: economic and political union will not be possible after the referendum because Quebec separatists want Quebec to separate, and our answer to that is No.

* * *

SOCIÉTÉ SAINT–JEAN–BAPTISTE

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, we learned that the following Saint–Jean–Baptiste societies have joined the Société Saint–Jean–Baptiste of the Sherbrooke diocese and expressed their pride in being part of Canada.

• (1410)

They are the Société Saint–Jean–Baptiste of the diocese of Valleyfield and the Société Saint–Jean–Baptiste of the diocese of Quebec City, which met last weekend with the Société Saint–Jean–Baptiste of Sherbrooke, in the eastern townships, and sang the "O Canada".

To all these men and women who are not afraid to show that they are proud to be Quebecers and Canadians; to all our French Canadian ancestors who built this country; to Wilfrid Laurier who, almost one hundred years ago, became the first of many Canadian prime ministers from Quebec; to my friends from the Bloc Quebecois who have dreams of sitting again in this House after the next election; I want to say that, like all of you, I am very proud to be a Quebecer and a Canadian.

However, it is important that we all say no to separation.

* * *

QUEBEC REFERENDUM

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, the word "confusion" perfectly describes the precautions taken by separatist leaders to package their project so as to make it as vague as possible.

As evidence of that, let us look at the findings of a poll conducted by Créatec and made public this week. Fifty per cent

of those who intend to vote yes think that separation will only occur after the conclusion of an agreement with Canada. As for the famous June 12 agreement, only 19 per cent of the public knows more or less what it is all about.

The poll also shows, and this is nothing short of tragic, that 28 per cent of those who would vote yes believe that a sovereign Quebec would remain a Canadian province.

The whole separatist strategy is nothing but a smoke screen used to hide the real objective, which is to separate Quebec from Canada. However, Quebecers do not want that and they will vote no on October 30.

* * *

MINISTER OF FOREIGN AFFAIRS

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, yesterday the Minister of Foreign Affairs committed an outrageous blunder in referring to the situation in the former Yugoslavia.

What did he mean by saying that "We have not yet started killing, killing one another, and I hope that the situation of the former Yugoslavia will never apply to Canada". This statement, fraught with hidden meanings as it is, requires clarification.

The Minister of Foreign Affairs and the Canadian government ought to be ashamed of making such insinuations.

For this reason the Bloc Quebecois most strongly condemns these absolutely thoughtless words spoken by the minister during his visit to the UN. The irresponsibility of the minister speaks volumes about the no side, the intolerance, insult and abuse the no side has to offer to the people of Quebec.

* * *

[*English*]

VICTIMS OF CRIME

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, today the voices of victims of crime are being heard on Parliament Hill.

They are calling for more than platitudes from the government. They are demanding real change to our criminal justice system. Across the country people are outraged because they believe our courts are too lenient and that parole and statutory release have become a licence for criminals to reoffend.

In Calgary where my riding of Calgary North is located, four women have been killed in the last eight weeks. As an added insult, one of the accused killers was granted bail within one week of being charged and is back out in the community.

Canadians have a right to ask why they are not being protected from thugs and criminals.

Today, citizens from across Canada have come to Ottawa to send a message to their elected representatives. Victims of crime must come first in a system where public safety is the number one priority. Reformers say Canadians expect and deserve no less.

* * *

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, would it be as easy for an independent Quebec to become a signatory to the North American Free trade Agreement, also known as NAFTA, as the separatists claim?

The federal finance minister said yesterday it would not. He even warned that reopening negotiations with our American and Mexican partners would put a number of sectors of the Quebec economy in a vulnerable position.

I would also like to quote James Blanchard, the U.S. ambassador to Canada, and Sandra Fuentes–Berain, the Mexican ambassador to Canada, each of whom indicated that there were no guarantees an independent Quebec would automatically become a member of NAFTA.

They expected to keep Professor Ivan Bernier quiet by keeping his study on NAFTA under wraps, but they will not be able to do the same with everyone. As the finance minister said yesterday, it is time to get rid of this myth cultivated by the separatists.

* * *

• (1415)

REFERENDUM CAMPAIGN

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Mr. Speaker, yesterday the PQ Premier said in a radio interview that the National Capital Commission of Canada had sent all its employees in Hull a letter telling them not to come in on October 31 if the Yes side wins, which we know perfectly well will not happen.

Mr. Parizeau said that based on that kind of statement, they would know what to expect. After the facts were checked, the reference made by Mr. Parizeau was shown to be completely untrue, and his office even had to apologize. After the constitutional document which the PQ Premier tried to link to the Quebec Liberal Party, the Premier is back with an alleged letter that in fact never existed.

Mr. Parizeau should concentrate on explaining his separation plans to the public instead of getting involved in these exercises in scaremongering.

[*English*]

PRESENCE IN GALLERY

The Speaker: I draw the attention of the House to the presence in our gallery of members of the United States Association of Former Members of Congress and Senators who are our guests in Canada.

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD

[*Translation*]

CANADA–QUEBEC ECONOMIC UNION

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in an apocalyptic speech delivered yesterday in Montreal, the Minister of Finance claimed that Canada could not guarantee its present economic union with Quebec would continue because the Americans would use it as an excuse to renegotiate NAFTA. He also contended that a sovereign Quebec would have to wait a very long time before becoming a member of the World Trade Organization, which recently replaced the GATT.

My question is for the Minister of Finance. Will he acknowledge that the proposal a sovereign Quebec will make to Canada for a new economic and political partnership is entirely within the spirit of the World Trade Organization treaty and of NAFTA and would guarantee American business the same conditions of access to Canadian and Quebec markets they now enjoy?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, if there is to be an economic and political union between Canada and Quebec, that is, if Canada were to give a separate Quebec special favours it does not give other countries, the Americans and the Mexicans would insist on being at the negotiating table, just as Canada did when Mexico and the United States wanted bilateral negotiations. We said no, we had to be at the table.

Here is what Canada would run the risk of losing if it were to accord Quebec this special agreement: its agricultural policy, its cultural exemption, the Canadian Wheat Board, the financial services sector, the rules of origin for the automotive industry and, even more importantly, the binational panels protecting us against American reprisals.

As the Leader of the Opposition said yesterday, Canada's exports to Quebec represent $33 billion; its exports to the United States, however, represent $165 billion, and Canada cannot risk losing this. It is not because it would not want to, but because it would have too much to lose.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I think we can all see that the minister is in the same apocalyptic state as he was yesterday. The minister is grossly twisting the reality of freer trade between countries by wrongly ascribing to NAFTA the power to prevent greater integration between Quebec and Canada, as the partnership in fact proposes.

Will the minister acknowledge that his gratuitous remarks are contradicted by established rules of international trade and by the prevailing custom whereby sovereign states can conclude more complex regional agreements in parallel with other agreements such as NAFTA? Will he not acknowledge that this doctrine has even been enshrined in paragraph 4 of article XXIV of the GATT?

• (1420)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as in everything else, unfortunately, the separatist movement has been overtaken by events. The GATT has been replaced by the WTO, and in article 12 of the WTO, on accession, there are no rights of succession and no principle of *status quo ante*.

The problem is that Quebec would be like any other country seeking membership, because there is no precedent. And Quebec would be put in the position of having to make huge concessions, first to become a member of the WTO and particularly to become a member of NAFTA. This is very clear.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, paragraph 4 of article XXIV, which I just cited, was negotiated only last year and is currently in effect. This article provides, even in the case of a national treatment clause, for automatic exception when a parallel agreement is to be concluded between two countries, provided its intent is to free trade. The whole point was to free trade, not stop it. It is a bit odd to hear a government, which vehemently opposed free trade and us in order to prevent its passing, now citing it.

The Minister of Finance also intimated that the Americans could oppose a partnership agreement between Quebec and Canada the day after a yes vote. Will he not admit that the Americans, as reasonable and experienced individuals, will rather want to avoid any upset in the existing economic flow between Quebec and Canada, particularly because they will continue to enjoy the same conditions of trade and access to the Quebec and Canadian markets as they do now? Does he not see that any steps the Americans take will only be to calm the nervous and the emotional who want to refuse to negotiate and who prefer to see everything in terms of gloom and doom?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, rather than asking inflammatory questions and making speeches of this sort, he should put his cards on the table. We are talking here about the future of Quebecers. It is his duty, as one of the leaders of the separatist movement, to tell Quebecers the truth about the real consequences of independence.

If you—yes, Mr. Speaker, I am looking at you and I would much rather look at you—if you want to identify the things the Americans will attack today, and this is no figment of the imagination, they will attack agricultural policy; the dairy industry in Quebec; the cultural exemption Quebec enjoys today with regard to films, television, broadcasting, books and magazines; textiles; preferential access to American markets; the purchasing policies of the Government of Quebec and Hydro–Quebec; the binational panels. There is a whole list.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, in his speech yesterday in Montreal, the Minister of Finance asserted that a sovereign Quebec would have difficulty joining the World Trade Organization or WTO, which recently replaced GATT. The Minister of Finance stated that Quebec would have to stand in line behind the 32 countries that have applied to become members of the WTO.

Does the Minister of Finance admit that, under the WTO accession clause, Quebec's admission will be all the faster and easier because Quebec already meets membership requirements?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): That is the problem, Mr. Speaker. I have just read a list of Quebec practices that will not be accepted by other WTO members. That is exactly my point.

• (1425)

These practices will be challenged by the U.S., the European Community and other countries. That is why the cost of joining the WTO and NAFTA will be so high.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): It is obvious, Mr. Speaker, that the Minister of Finance does not know what he is talking about.

My question to him is this: How can the Minister of Finance claim that Quebec will have to take a number to join the WTO, when he knows—and I hope he knows it—that the reason these 32 countries are waiting for admission is because they do not have a market economy; that Quebec already meets WTO requirements; that Quebec is not too small, and that we are not incompetents either since Quebec is the Americans' eighth largest trading partner? Does he at least know this, Mr. Speaker?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, Saudi Arabia and Taiwan have market economies and they are on the waiting list. Yesterday, Mr. Landry said that only countries from Eastern Europe were on the waiting list.

Let me tell you something: Taiwan is in Asia, and Saudi Arabia is in Arabia. I know full well that separatists need lessons in economics, but we now see that they also need geography lessons.

* * *

[*English*]

JUSTICE

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, hundreds of Canadians have gathered on the lawns of Parliament Hill today and it is not over a concern with respect to the Quebec referendum or trade treaties that has brought them together.

It is a more fundamental concern about the safety of their children and their loved ones. These are ordinary folks and their demand is very simple. They want the government to do more to protect the lives and property of Canadians from criminals. They want the rights of victims to be placed above the rights of criminals.

What does the justice minister propose not to say but to do for Melanie Carpenter's father and all of the victims of violence who feel that in Canada the state, the law, the government, the parole board and the justice system have failed them in a tragic and fundamental way?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it was my high privilege to address that rally on the lawn of Parliament Hill an hour or two ago. It was my honour to meet yesterday morning with Steve Carpenter, the father of Melanie, and with Maurice Rose whose son was murdered in Montreal.

As I told those gathered on Parliament Hill today, since I have been Minister of Justice I have made it a point to meet with victims and the families of victims of crime, not because it is easy—it is often terribly difficult—but because I believe that through the tragedy they have suffered they have something to offer. They have a perspective to offer on criminal justice reform which has helped me in my work.

When I spoke to that group today I recounted some of the things the government has done over the last 15 months. We have introduced more meaningful reform to the criminal justice system than any federal government in memory.

The leader of the third party and his colleagues want to know what has been done. Let me remind the leader of the third party what has been done often over the objection and with the opposition of the third party: meaningful amendments to the

Young Offenders Act, introducing DNA provisions under the Criminal Code, meaningful gun control, improvements to the parole system, strengthening the criminal justice sentencing process, and ruling out self–induced intoxication.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, if the minister had done all these wonderful things for the victims of violence there would not be hundreds of people on the lawns of Parliament today.

• (1430)

Victims of violence listen politely to these recitations from the minister of all the things he is supposedly doing, but their greater concern is with the things the government is not doing: the failure to repeal section 745 of the code; the failure to create a registry of sexual offenders by September, as the solicitor general promised; the refusal to include real victim compensation in Bill C–45; and the absence of a victims rights package in anything the minister has presented to the House.

Besides the cosmetic changes the minister has referred to, what more does he plan to do to change the justice system so that Canada's streets are safer from violent criminals, sex offenders and murderers?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, my list was not of things we are talking about. My list was of measures that have already been achieved.

Instead of just speaking about a list of victims rights, which is something the third party is fond of doing, instead of just proclaiming a bill of rights for victims which is politically attractive, we prefer to enact those rights as we have done.

If the leader of the third party does not know, let me tell him that what has been done has been to amend the Criminal Code to provide for victim impact statements wherever they are prepared; to allow for the return of stolen property; to protect the identity of victims and witnesses of sexual offences and extortion; to levy victims fine surcharges; to amend the code to permit the courts to order restitution to victims; and to amend the Corrections and Conditional Release Act to recognize the role of victims in relation to federal corrections. This is the list of action taken in the name of victims.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the minister refers to enacting rights. There is a growing conflict in the country between the rights of victims of crime and potential victims of crime and the rights of persons accused or convicted of crimes. In more and more cases the scales of justice are tipped on the side of violent criminals, sex offenders and murderers. This cannot be allowed to continue. When rights clash it is the rights of the victims that ought to prevail over the rights of the criminals.

My question to the minister is on rights since he raised the subject. When the rights of victims conflict with the rights of persons accused or convicted of crimes, what is he doing to ensure that it is the rights of the victims that prevail in Canadian law?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the first and most fundamental right of any victim is the same as the first and most fundamental right of any Canadian, to a fair, responsive and strong system of criminal justice. Since our first day in office that has been our focus.

Before concluding, I am constrained to observe that for a party so consumed with the rights of victims it is passing strange that it turns a deaf ear when the victims rights groups, including CAVEAT and its principal, Priscilla de Villiers, speak passionately and call for the Reform Party to support our proposals on gun control.

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[*Translation*]

DIVISION OF THE FEDERAL DEBT

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the federal debt is close to $600 billion. The Quebec government has made it clear that a sovereign Quebec would take its share of the responsibility for the federal debt. Yesterday in his speech, the finance minister, who excluded any negotiations with a sovereign Quebec, remained strangely silent on the division of the federal debt.

• (1435)

Would the finance minister agree that the federal government's enormous debt will make it incumbent on the government, in its own interest and in view of its responsibilities, to start negotiations with Quebec the day after the referendum, starting with the division of the debt?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the day after the referendum we will all continue to build Canada together, because it is quite clear the No side will win.

Am I to understand that the hon. member is repeating the unfortunate statement made by Mr. Campeau three or four months ago and this morning by Mrs. Dionne–Marsolais, that an independent Quebec will not accept its fair share of the federal debt? Is that what the hon. member is saying?

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, that is exactly what I am not saying. I just explained to the minister, and I will repeat my explanation, to make sure he understands, unless he has no answer and that is why. I will explain.

The Quebec government has very clearly announced its intention to assume its responsibility in connection with the tremendous federal debt. Yesterday the minister avoided any

questions on the subject by saying he would not negotiate with Quebec in any area whatsoever. He did not broach the subject of the debt.

Will the Minister of Finance admit that, faced with pressures from the financial community, he has no choice but to negotiate with Quebec after a win for the Yes side, because Canada is incapable—

The Speaker: My dear colleagues, during Question Period I allow as much time as I can for the questions that are put, but we go somewhat beyond the limit, even ask questions that are hypothetical—

An hon. member: The minister's speech is hypothetical.

The Speaker: We get either hypothetical speeches or hypothetical questions.

An hon. member: Ha, ha.

The Speaker: I would ask hon. members when they rise to please ask questions that are relevant to the government's administration. Now if the finance minister wishes to answer this question, he may.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I will answer, since they have so much trouble asking questions.

If the hon. member wishes to ask hypothetical questions, we can do that too. If the debt of a separate Quebec were to triple or worse, how high would the resulting interest rates be for us Quebecers? How much would our income tax go up? What kind of cuts would we see in social services? They would be draconian.

[*English*]

The Speaker: I invite you to return to concrete questions and concrete answers.

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CAMP IPPERWASH

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the Canadian agenda has more to it than the referendum. Law and order are still on the decline in the country.

Not only do we have violent offenders roaming our neighbourhoods and streets, there are areas where policing has almost ceased to exist. Ipperwash is one example. Sexual assaults, firearms discharged at persons, arson, break and enter go uninvestigated. In fact Ipperwash—

• (1440)

The Speaker: I know the hon. member is having a tough time with his voice. Perhaps I can help him by asking him to put the question.

Mr. Hanger: Mr. Speaker, the list of victims is growing in Ipperwash. When will the solicitor general take action to ensure that the law is applied equally to everyone, which includes militant natives?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the approach of the federal government is that the law applies equally to everyone.

We should praise the professionalism and expertise of the RCMP when, working as the provincial police on behalf of the attorney general of British Columbia, it diffused without violence and loss of life the Gustafsen Lake situation, with the people involved being brought before the courts and facing criminal charges.

When it comes to the Ipperwash situation, that involves the application of the Criminal Code by police of local jurisdiction who, I am sure the hon. member should know, are the Ontario Provincial Police.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the minister should tell that to the people who live there. They have lost faith in the police, especially with the do–nothing Liberal government that refuses to act.

People are now arming themselves for protection because they have been abandoned by the federal government and fear for their lives. The minister is neglecting his responsibility to Canadians because he is catering to special interest groups.

Why is the solicitor general allowing a group of organized armed thugs to bully the federal government, the police and the people of Ipperwash?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the federal government is not allowing any such conduct. It is certainly ready, at the request of the solicitor general of Ontario, Mr. Runciman, to provide support along the lines of the standing arrangements we have.

In the meantime this is strictly a matter for the Ontario Provincial Police. If the member does not think his Conservative friends in Ontario are doing their job, he should tell them directly.

* * *

[*Translation*]

CANADA–QUEBEC ECONOMIC UNION

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Minister of Finance.

Yesterday, the Minister of Finance indicated that chances of an economic union between a sovereign Quebec and Canada were non–existent. He went so far as to say that, even if he wanted to, it would not be possible.

My question is quite down to earth. Will the Minister of Finance come back to his senses and admit that Quebec is the second largest market in Canada, with 400,000 Canadian jobs depending on trade with Quebec, and that Ontario alone enjoys a net surplus of $4 billion per year in its trade with Quebec?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, all the more reason for Quebec to remain in Canada. What I said yesterday was very clear. I did not say that there would be no trade between Quebec and Canada. What I said is that there would be no economic union between Quebec and Canada as described in the referendum question. And the reason for this is very obvious: while $33 billion in goods are sold to Quebec by the rest of Canada, $165 billion in exports go to the U.S., and Canada can never put this at risk.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, in light of what I said and what the minister himself just said, will the minister finally admit that an economic union is not only desirable but inevitable in the interests of both partners, Canada and Quebec, especially since he knows full well that the U.S. stands to benefit from this continued union because they will have access to the Canadian and Quebec markets under the very same terms they now enjoy?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the hon. members are having a hard time understanding. At present, Canada is part of NAFTA. This agreement was signed and ratified. So, cultural exemptions, the agricultural policy, binational panels, all those things are already in place and Canada will continue to enjoy them.

The only problem would be if Canada wanted or agreed to negotiate an economic union. All this would then be at risk.

• (1445)

The difference between Quebec and Canada is that, if Quebec wishes to join NAFTA, this will mean no more agricultural policy, no more cultural exemptions, no more binational panels and no more procurement policy.

At present, Quebec is part of NAFTA and things are working well. If Quebec separates and then wants to join NAFTA, it will be undermining the basis of the Quebec economy. That is what I call putting your cards on the table.

* * *

[*English*]

MANITOBA ENTERTAINMENT COMPLEX INC.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it appears that the Minister of Human Resources Development has used the unfortunate financial situation of the Winnipeg Jets to line the pockets of his campaign contributors.

The minister gave $533,000 to Manitoba Entertainment Complex Inc. Is the money the minister gave to Manitoba Entertainment Complex Inc. in any way related to the campaign contributions its president gave the minister for the 1993 election?

Some hon. members: Oh, oh.

The Speaker: I would ask that in the phrasing of the question we not try to give reasons why one thing or another happens. I will permit the hon. minister to answer that question.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, once you subtract the hyperbole, exaggeration and the overtone of character assassination the hon. member introduced into her question, I certainly welcome it. It gives me the opportunity to clarify a misleading story that appeared.

The best way to do that is to cite the response made by the regional director general of HRD in Winnipeg, who pointed out that this project had at stake close to 1,400 jobs potentially lost to the city, involved all three levels of government, municipal, provincial and federal, involved hundreds of representatives from the private sector, virtually all the major businesses in Winnipeg, plus tens of thousands of residents of the city, all of whom were interested in trying to preserve the jobs and the economic development. The program was simply designed to ensure that the proper diligence and feasibility was done to make sure that was a good public investment to make.

It has nothing to do with campaign contributions. The hon. member should know better than that. She should deny and retract that allegation.

Some hon. members: Hear, hear.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, even the perception of abuse of taxpayers' dollars is unacceptable. I would like to continue with my question.

Some hon. members: Oh, oh.

• (1450)

The Speaker: My dear colleagues, may I caution you about imputing motives in the question. I will permit the hon. member to put her question now.

Some hon. members: Oh, oh.

The Speaker: Order. My colleagues, as we all know, points of order that arise in the question period will of course be heard by me at the end of Question Period.

I would invite the hon. member for Calgary Northeast to put her question.

I am sorry, I thought the hon. member had said she would pass. You will forgive me if I misunderstood. I thank God we only have one Wednesday every week. The hon. member for Calgary Northeast.

Mrs. Brown (Calgary Southeast): Mr. Speaker, it is Calgary Southeast, not Northeast.

The Speaker: And I apologize. Calgary Southeast.

Mrs. Brown (Calgary Southeast): Mr. Speaker, my question is put with sincerity and focused on the issue at hand.

Can the minister explain to the House why he appears to be taking advantage of the financial plight of a hockey team in his riding to line the pockets of his election contributors?

The Speaker: The hon. member for Rimouski—Témiscouata.

* * *

[*Translation*]

CANADA–QUEBEC ECONOMIC UNION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Finance.

The minister ruled out the possibility of a customs union between Canada and Quebec when he said: If Quebec separates, what interest would Canada have in meeting the needs of the foreign country it would have become?

The minister knows full well that it would be in the best interests of Canada to maintain the current customs union. Are we to understand from the comments he made yesterday that the minister intends to personally set up barriers to impede the free movement of Canadian goods sold in Quebec, including controls at the border?

• (1455)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is not me but the NAFTA provisions which would require that the United States and Mexico get the same benefits and privileges. Our country would be opposed, because it would stand to lose too much.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, is the Minister of Finance telling us that he personally wants to make life difficult for Ontario companies which, every year, sell vehicles and automotive accessories to the tune of $1.3 billion in Quebec, for Albertans who sell us 51 per cent of their cattle production, and for his Bay Street friends who, year in year out, provide financial services worth close to $3 billion in Quebec?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, what I am saying is that the Canadian government will not be prepared to do what the separatist movement is willing to do, that is to jeopardize the protection afforded to the agricultural sector, and to also jeopardize the automotive industry, the bilateral panels and the cultural exemptions.

Mr. Speaker, is the hon. member prepared to jeopardize the safeguards that we have put in place to protect French language and culture?

* * *

[*English*]

INFRASTRUCTURE

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, indeed it is wonderful Wednesday. My question is for the minister responsible for the infrastructure program.

I continue to receive enthusiastic reports on the infrastructure program from the mayors of municipalities throughout Carleton—Charlotte. They praise the program for its assistance in completing the many projects that have benefited their communities and citizens.

Can the minister tell the House what the second year of the infrastructure program has accomplished for Canadian municipalities and their citizens?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it has been almost two years since the program on infrastructure was launched with the municipalities and with the provincial governments. The program has been a great success in implementing a promise made by this party in the last election campaign.

To this point in time, of the $6 billion originally allocated by the different orders of government, 93 per cent of it has been allocated to some 11,000 projects right across the country. Those projects are helping to strengthen the infrastructure of our local communities, attracting additional investment dollars and are putting over 100,000 Canadians to work, creating the kinds of jobs we need in this country. That is the kind of agenda Canadians want from this government.

* * *

SOMALIA INQUIRY

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, Canadians from coast to coast to coast want to know that justice was done in the Somalia inquiry.

On Monday, former sergeant, now private, Mark Boland was denied standing before the Somalia commission. Apparently senior ranks are allowed standing because the commission may "make pronouncements that reveal their misconduct or give voice to allegations that bring discredit upon them. Lower ranks such as Boland have no need for official standing".

Does the Minister of National Defence agree that rank should automatically grant standing, or will he accept that involvement and knowledge of the situation should be the deciding factors?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member should know by now that the commission is the master of its own procedure.

The commission has extensive terms of reference. I do not believe there has been any argument made by anyone as to the degree to which the commission can investigate the deployment to Somalia. It is for the commission to decide who has standing and who has not.

If an individual feels aggrieved by the procedural decisions of the commission, they have the right to recourse through legal means.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the commission said: "Our terms of reference are very clear that it is the chain of command system and leadership within the chain of command that is to be our concern".

Mark Boland was given orders and he gave orders. He is in the chain of command. He has knowledge that can provide connective tissue to shape the body of evidence in this case. He must be able to pose questions. The right question to the right person at the right time will reveal the whole truth of the Somalia inquiry.

• (1500)

Will the minister now intervene to ensure that Mark Boland is granted standing before the Somalia commission?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is not the role of the Minister of National Defence to intervene in an inquiry constituted under the Inquiries Act.

* * *

[*Translation*]

CANADA–QUEBEC MONETARY UNION

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of Finance. He appears to reject the idea of a monetary union between a sovereign Quebec and Canada. In addition, the leaders of the No side are questioning the ability of a sovereign Quebec to continue to use the Canadian dollar.

Does the Minister of Finance confirm that it is in Canada's very best interest to not only acknowledge that a sovereign Quebec may continue to use the Canadian dollar, but also to wish for this, specifically for the purpose of maintaining its value?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): No, Mr. Speaker, not in the least, but that is not the question. The question is this: How can it be that a Quebec desiring independence not only wishes to use the currency of another country but also is prepared to turn all of the control and influence a country must have over its monetary policy over to that other country?

This is the touchy situation in which Quebec will find itself, this is the fundamental tool it will have forgone.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, does the Minister of Finance acknowledge that the worst thing that could happen to the Canadian dollar would be for Quebecers, who have ownership of it, who have earned it with the sweat of their brows, to decide to collectively unload the one quarter of the money supply that is in their hands, some 100 billion dollars, whereas mutual interest and common sense militate strongly in favour of a monetary union?

Hon. Paul Martin Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, what would it accomplish to put Quebec in the same position as, say, France is with respect to the Bundesbank or the bank of some other country?

When Canada is in a period of full growth, if there is a downturn in Quebec, monetary policy will be set in Canada to the detriment of Quebecers.

Tell me, what point is there in becoming independent if the tools of independence are handed over to another? It is totally pointless.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, despite all the rhetoric from the government about the need to cut spending at CBC, the auditor general's report in July revealed it is very fat and that there is all kinds of waste going on.

On Monday when a document was circulated around, the CBC annual report indicated discretionary spending had gone up $50 million last year. We can imagine how ripped off taxpayers must feel.

What is the minister doing about this matter?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, let me congratulate our colleague for putting his first question as critic for the heritage portfolio.

The management of the CBC is now engaged in a very serious review of the financial dimensions of the corporation, as we have seen in the press. What it has in mind is to cut down on any possible waste, increase the effectiveness of the CBC and make it one of the most modern and efficient broadcasters in the world.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, every day CBC's ratings drop. It spends more money. The CBC president is pleading with the minister to bring in a mandate now so that he has the latitude to make the cuts he needs to make.

When will the minister show some leadership and bring in that new mandate?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleague should know that is precisely what we asked for, a panel of three people to make recommendations on the mandate. His wish will be granted. In the meantime the management of the CBC is managing at arm's length, as we all know.

* * *

• (1505)

THE ENVIRONMENT

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, under the Canadian Environmental Assessment Act, as amended by the House last year, the Minister of the Environment is charged with the duty of creating a participant funding program.

Can the minister tell us what she has done so that Canadians with a serious interest in an environmental assessment can have access to funding in order to participate?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I want to follow up on the previous Minister of the Environment, now the hon. Leader of the Opposition, who stated in the House on April 5, 1990: "The federal government has very clear jurisdiction in the area of environmental impact assessment".

This jurisdiction is not challenged and it cannot be challenged. We have gone even further in the government. We have entrenched in law the principle of participant funding. In the last fiscal year there was about $860,000 available for the public to participate in the environmental assessment process enshrined by the previous Minister of the Environment.

* * *

INDIAN AFFAIRS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the minister of Indian affairs has an opportunity to ease anxiety among those who believe the Indian land claims process is too slow, too complex and too uncertain.

Has the minister of Indian affairs considered the 1994–95 report of the Indian claims commission and will he respond positively to its first recommendation, the establishment of a new independent land claims policy and process?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I have the highest respect for the work of the Indian claims commission. Part of our red book commitment is to make the system more efficient and more just.

The problem I have, which the member knows, is whether it should be a justice system with binding judgments or a mediation system similar to what it is now, going through the convoluted process of having first to be turned down by the Indian claims commission.

That has not been settled by the chiefs. When I have some direction from the chiefs we could certainly move ahead on the desires of the Indian claims commission.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of the House to the presence in the gallery of Mr. Vassillis Geranidis, member of Parliament for Salonica, Greece.

Some hon. members: Hear, Hear.

The Speaker: I also draw the attention of the House to the presence in the gallery of the Hon. John Efford, Minister of Public Works and Transportation of Newfoundland.

Some hon. members: Hear, hear.

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

The Speaker: I have a point of privilege which I will hear before the points of order. The point of privilege is coming from the Minister of Human Resources Development. We usually need notice before, but is it arising from question period?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, during question period the member for Calgary Southeast made some statements alleging behaviour on my part and which imputed motive, neither of which is acceptable under the rules of the House.

There can be many differences of opinion in the House and we can certainly have questions about one's actions in terms of whether they are right or wrong in a political sense.

I have been a member of the House in public life for 24 years and I never at any time had my behaviour imputed the way the hon. member suggests. I ask her to withdraw and apologize because nothing wrong was done, as she imputed, and it really requires her to clear the record.

• (1510)

The Speaker: Before I go to the House leader of the Reform Party, because another hon. member has been mentioned in the House I wonder if the hon. member for Calgary Southeast would like to intervene before the House leader of the Reform Party.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, with all due respect to the Minister of Human Resources Development, I am putting questions to the House similar to those asked of the Minister of Canadian Heritage regarding the same kinds of improprieties. The perception needs to be clarified. Therefore I will not withdraw and I will not apologize.

The Speaker: On the same point of privilege, the hon. government whip and then I will go to the House leader of the Reform Party.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I turn to section 409(7) of Beauchesne's in relation to casting aspersions on persons within the House in addition to the fact that some of the allegations made by the hon. member alleged criminal activity on the part of another person regarding the relationship between that person and a minister of the House. The combination of those two things leads me to believe the language in question was unparliamentary and must be withdrawn.

I urge Mr. Speaker to request that any such expressions, including the language used in the question referred to, be withdrawn forthwith.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, in speaking to this matter of privilege I bring your attention to the question, the operative part of my hon. colleague's presentation to the House.

It was very clear in the question that the member for Calgary Southeast asked a deliberate question of whether there was a relationship between two actions. That was not inferred nor did it reflect on the minister. Before making a final decision on this, Mr. Speaker, I ask that you take this into consideration.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I put on the record of the House what the whip for the government was referring to in section 409 of Beauchesne's, which reads in part:

> In 1975, the Speaker expressed some general principles in order to clarify the regulations and restrict the negative qualifications which traditionally have guided the question period.

Subsection 7:

> A question must adhere to the proprieties of the House in terms of inferences, imputing motives or casting aspersions upon persons within the House or out of it.

The hon. member for Calgary Southeast did exactly what is not supposed to be done according to these guidelines put on the record by one of your distinguished predecessors, Mr. Speaker. The hon. member cannot get away with an improper statement by putting it in an interrogatory fashion, and therefore she should withdraw.

• (1515)

The Speaker: Colleagues, during question period, as you have seen in the last little while, we tend to be using stronger and stronger words in putting questions but also in giving answers.

Here is what we have, I believe. We have an hon. member who, when she stood in her place, was cautioned about the language she was using in her question. I permitted the question to stand with that caution and the hon. minister answered the first question.

In my view, the second question was clearly out of order and I ruled it as such by moving ahead and not letting the minister answer.

Now this is being raised as a point of privilege. One member has asked another member to withdraw the statement. The other member has replied that she does not feel this particular statement was imputing motives.

As the Speaker, it would seem to me that the more we permit ourselves to go down this road and not frame the questions in such a way that they can be related to the administrative responsibilities of individuals, we are getting ourselves into a quagmire.

I wish there were an easy way out of this. I do not believe and I ruled that this is not a question of privilege. However, in the name of civility and in the name of good conduct in this House, may I appeal to the member for Calgary Southeast to reconsider. Although I do not believe there was any intention but even if the words carried the impugning of motives, I wonder if the hon. member might reconsider and withdraw the statements as they were made.

The hon. member for Calgary Southeast.

Mrs. Brown (Calgary Southeast): Mr. Speaker, may I ask a question of you for clarification?

Some hon. members: No.

Some hon. members: Withdraw.

The Speaker: I have clearly ruled that there is not a point of privilege. That is my decision. However, again I appeal to the hon. member, although this question may or may not be allowed, I of course heard what the member said. Once again, in order that this House might carry out its responsibilities in a civilized manner on all sides, I would urge and ask the hon. member if she would consider withdrawing her statements or any impugning of motive. Would the hon. member consider that?

Point of Order

• (1520)

Mrs. Brown (Calgary Southeast): Mr. Speaker, with all due respect to you, because this is not a point of privilege I will not withdraw nor will I retract any of my statements.

The Speaker: My colleagues, I have made a ruling on a point of privilege and that ruling will stand. I very much regret that the hon. member has not withdrawn but I am going to let the matter rest there.

I will go on to another point. If there is another point of order exclusive of this, I will hear it. For now, I would like this point to rest.

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POINTS OF ORDER

UNPARLIAMENTARY LANGUAGE

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I rise on a point of order under sections 485 and 486 of Beauchesne's with regard to unparliamentary language and also language that reflects on members in this assembly.

I heard very clearly comments of the member for Willowdale that called the member for Calgary Southeast a slimeball not only once but twice and I think even a third time across the floor of the House.

There was a lot of concern in this House by the hon. member for Burlington concerning reflections on whether a person is a male or female. This type of comment to a male would have one type of inference but to a female, it certainly has another kind of inference which I will not accept. I ask that it be withdrawn and that that member be dealt with.

The Speaker: I must say that your Speaker did not hear these words and I do not know if they are in *Hansard*. We can have a look.

Because an hon. member was named in this House and was named directly I would ask the hon. member for Willowdale if he has something to add to this point of order.

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, I am guilty and I withdraw. I ask your advice as to what other word might express better my utter repugnance for this type of question in our House of Commons.

The Speaker: May I ask the hon. member for Willowdale this. I did not hear all of the end of it and I do not really want to hear it. Would the hon. member please just stand and withdraw? He said he was guilty. Would he withdraw the statement, just the statement.

• (1525)

Mr. Peterson: Absolutely, Mr. Speaker. Thank you.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, in light of the ruling you just made with regard to the words of the hon. member for Willowdale, I would like to draw your attention to citation 484 of Beauchesne's which reads in part as follows:

> (3) In the House of Commons a Member will not be permitted by the Speaker to indulge in any reflections of the House itself as a political institution; or to impute to any Member or Members unworthy motives for their actions in a particular case—

Mr. Speaker, in light of this citation and in light of the ruling you just made with regard to the language used by the hon. member for Willowdale, I respectfully raise as a point of order a request that you apply the same principle to the question asked by the hon. member for Calgary Southeast which in effect involves an unworthy aspersion on a member of this House.

If it is fair for the hon. member to be requested to withdraw and for the hon. member to comply, as he did with the request to withdraw the word he used, and I am referring to the hon. member for Willowdale, I respectfully submit it is equally fair for a request to be made and for the hon. member for Calgary Southeast in the same spirit of conciliation and goodwill to withdraw her remarks.

The Speaker: I had asked earlier, with all respect to the hon. leader of the government and the House, that it was an unfortunate situation that occurred in the House.

I have made a ruling on it and I will stay by the ruling. Your Speaker tries as much as possible in the course of question period to hear from all sides. Although I have ruled, I permitted the House leader to go on.

If in some way the House could draw itself away from the type of strong language that we have been using I think the House would be better served on all sides.

For now I would like to close this matter of the member for Calgary Southeast.

I have another point of order, the hon. whip of the Reform Party.

STANDING COMMITTEE ON PROCEDURE AND HOUSE AFFAIRS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, you may be relieved to know this is a point of order on a different subject. You may not be too relieved.

The point of order is under Beauchesne's citation 317(2) which calls for an interpretation of the rules of procedures to be decided on by the Speaker.

The rule in question is Beauchesne's citation 765(3) which specifies that membership in committees is in the same proportion to membership of political parties in this House. Under this the Bloc Quebecois and Reform should each have three members on the public affairs committee.

I hasten to add that I am not seeking the Speaker's intercession on a matter rising in committee which would be contrary to Beauchesne's citation 168(7). What I am seeking is for the Speaker to uphold the rules of this House, specifically Beauchesne's citation 765(3). If others are allowed to ignore the rules or put an erroneous interpretation on them, which is the case here, then it makes a mockery of Beauchesne's and a mockery of this House.

I tried without success to get the two other whips and the committee on procedure and House affairs to act on Beauchesne's citation 765(3). The stand taken by both is that the chair of the public accounts committee constitutes a separate committee position. Therefore the Bloc Quebecois should have four positions including the chair as opposed to the Reform's three.

• (1530)

We contend that this is an erroneous assumption as Beauchesne's 781 calls only for the chair to go to the opposition, not the official opposition. We would also cite Standing Order 106(2) which is silent on who fills the chair.

Since I have been unable to redress this grievance in committee or with the whips, I ask for the Speaker to uphold the rules of the House, specifically Beauchesne's 765(3), perhaps by using Beauchesne's 764 to communicate with the committee.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, at the beginning of my colleague's remarks he referred to citation 317 of Beauchesne's to plead for the Speaker's intervention in the case. I should remind the Speaker that the reference to citation 317 was perhaps selective and should remind the Speaker of what it says. Citation 317(2) states:

> A question of order concerns the interpretation to be put upon the rules of procedure and is a matter for the Speaker or, in a committee, for the Chairman to determine.

In other words, a reading of the complete citation tells the Speaker that this is an issue to be raised at the committee and not in the House.

In reference to the issue at hand, the membership of the committees in question, the issue was brought to the attention of the Standing Committee on Procedure and House Affairs with the hon. member pleading the case that there should be an additional member of his particular political party on the Standing Committee on Public Accounts.

The Standing Committee on Procedure and House Affairs in its wisdom decided that it had been customary and agreed at the beginning of this Parliament that the party which holds the chairmanship of the particular committee loses a member able to participate in the debate because the chairman customarily, as the Speaker knows more than anyone else in the House, does not participate too frequently in the debates. That was agreed to at the beginning of this Parliament, at the beginning of the previous Parliament and the one before it.

In each one of those prior Parliaments and in the present one the official opposition, which traditionally chairs the public accounts committee, has an additional member to compensate for the fact that it loses one member in the debate.

Finally the argument was made by myself at the procedure and House affairs committee that if we add another member from another party to the public accounts committee, we disturb the whole balance within the committee. We then have to add two Liberal members to the committee to achieve the balance we must start off with under the rule invoked by the hon. member in question.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I will not quote Beauchesne because one can use different citations to make different points. One thing is for sure, when we conducted negotiations at the start of this Parliament two years ago and two whips ago for the Reform Party, which is now on its third whip—the government whip was not there at the time but you were—the three whips of the day, including myself, submitted various proposals on the right to speak, on question period, on members' statements and on committee membership. At that time, the Bloc Quebecois even offered five vice-chairmanships to the third party, which refused them because they were not to their liking.

They have now changed their minds. Fine by me but there were nonetheless recorded divisions in each committee. Under British parliamentary tradition, a specific role is reserved for the official opposition. We are aware of that. I would point out to the hon. member from the third party that the Quebec legislature, one of the oldest in the world, was operating as early as 1791. It is one of the oldest parliaments in the world, also under British parliamentary rules.

We understood that we were the second party because we had the second highest number of members in this House.

• (1535)

If the hon. member for Beaver River could stop talking, I could conclude my remarks.

Mr. Speaker, that is what we understood at the time. Had we been the third party, we would have settled the matter very quickly by following the practices of the previous Parliament. I think this goes without saying. It was often said at the beginning that the Bloc Quebecois was here to hinder proceedings. On the contrary, it is the third party, the Reform Party, that hinders the proceedings of this House with points of order, by calling into question the way committees operate. I thought that everything was clear. That party is the third party. If the situation ever changes, things will be different. It may become the fourth party but until then it is still the third party.

In the meantime, let us apply existing rules and debate the real issues—because there are important problems in both Canada and Quebec—instead of fighting on matters that were rejected by that party two years and two whips ago.

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I wish to clarify something in this debate since I was the whip for the Reform Party at the time mentioned by the whip for the Bloc.

I had understood that negotiations and exploration of issues between whips were confidential. Now we have the whip for the Bloc accusing and misrepresenting what those negotiations actually did. I object to that. That is not the kind of behaviour one would expect from someone of goodwill.

Mr. Speaker, as you are aware because you were part of the discussions, the talk about chairmanships and vice–chairmanships of committees hinged around our contention that the Bloc was getting a disproportionate share of air time on question period. In order to quiet down those objections the Bloc made this offer of the vice–chairmanships of some of the minor committees.

In our view the air time on question period and the proportion of questions asked should not be mixed up with vice–chairmanships of committees. That was our objection at the time. It remains our objection. It certainly should not be used to suggest that we are not interested in vice–chairmanships of committees. We just do not think those kinds of tradeoffs are appropriate.

We have a situation in the House where there are two opposition parties, one of which is wanting to break up the country and one of which wants to get on with the national agenda. We think there should be fairness and parity at the very least in this situation, and that is what we are asking for in this point of order.

The Speaker: We are getting into a rather long debate. Permit me to make these comments.

The membership, as we all know, is struck by the House affairs committee pursuant to Standing Order 104(1) and it becomes a decision of the House. Citation 781 of Beauchesne's is a reference to a custom or a practice which has developed over time. It is the House that ultimately decides and that order should stand until the House decides otherwise.

Members are asking the Speaker to make a decision which would virtually override the decision made by the House. I do not believe that the Speaker is empowered to do that. The Speaker is a servant of the House.

Therefore, with all due respect, I believe that this should be left to the House affairs committee because it has been empowered to appoint the membership pursuant to Standing Order 104(1). That is where I would like the particular matter to be solved.

• (1540)

Mr. Silye: Mr. Speaker, I just want to know, on a point of order, if the barbeque is still on tonight.

The Speaker: The response is yes, and you are going to have roasted Speaker.

ROUTINE PROCEEDINGS

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to table in this House today, in both official languages, a number of Order in Council appointments which were made recently by the government.

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

* * *

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to 22 petitions.

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I move:

That the following member be added to the list of associate members of the Standing Committee on Procedure and House Affairs: Darrel Stinson.

(Motion agreed to.)

[*Translation*]

JUSTICE AND LEGAL AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have another motion.

I think that you will find unanimous consent for the following motion. I move:

That three members and two staff of the Standing Committee on Justice and Legal Affairs be authorized to travel to Winnipeg, Manitoba, on Sunday, October 1, and Monday, October 2, 1995, in order to participate in the Canadian Congress on Criminal Justice.

[*English*]

(Motion agreed to.)

* * *

PETITIONS

VIOLENT OFFENDERS

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I have the privilege to present a petition on behalf of my constituents of Surrey North.

The petitioners allude to the tragic murders of Pamela Cameron, Jessie Cadman, and Melanie Carpenter, whose father Steve is organizing the public rally outside today for National Victims Day.

The petitioners ask Parliament to call upon the government to bring forward legislation to protect Canadians from dangerous and high risk offenders.

NATIONAL DEFENCE

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, pursuant to Standing Order 36 it is my pleasure to present a petition from 32 petitioners of the riding of Halifax West who call upon the government not to change the present tendering process for moving in the Department of National Defence.

SEX OFFENDERS

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise pursuant to Standing Order 36 to present a petition signed by 138 people from the four provinces of Atlantic Canada.

Whereas the Government of Canada has enacted legislation, the charter of rights, and whereas the rights of repeat sex offenders are given precedence over the rights of innocent children as in the case of Sarah Kelly of The Pas, the petitioners humbly pray and call upon Parliament to enact legislation which would make the safety of our children a priority.

They request changes to be made to the charter of rights which would enable residents to be notified when repeat sex offenders are released into the community.

* * *

• (1545)

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

[*Translation*]

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I suggest that all notices of motions for the production of papers be allowed to stand.

The Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.) moved that Bill C–45, an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act, be read the third time and passed.

He said: Mr. Speaker, I am pleased to move third reading of Bill C–45. This is a bill to update our corrections and parole system.

[*Translation*]

When I last spoke on this bill to open second reading debate, I noted that it was part of a strategic framework of initiatives that work together in order to carry out our red book agenda and demonstrated our commitment to safe homes and safe streets for all Canadians.

[*English*]

This is a goal this government takes very seriously. Over the past year this government has been working hard and has consistently delivered on this commitment.

We have brought forward amendments to the Young Offenders Act to respond to a number of concerns about it. Through Bill C–41 we have reformed the sentencing process by placing a new focus on better addressing public safety, ensuring more consistency in sentencing and being more responsive to the needs of victims.

We have also made a lot of headway on preparing and presenting legislation on gun control, on a new witness protection program and on DNA analysis. Also, legislation is being prepared within the government to take steps to deal with high risk violent offenders, which I will discuss further in my remarks.

There is a widespread desire to ensure that we have an effective federal corrections and parole system. This makes it all the more important for us to look closely at problems that are identified and seek concrete and meaningful solutions to these problems.

There may be some violent offenders who are unlikely to ever be able to lead law–abiding lives in the community. However, simply locking up more and more of the other kinds of offenders for longer periods of time will not achieve the long term safety of our communities that we all care about. Surely the United States experience proves this every day.

Where a sentence of imprisonment is considered necessary by the court, we must be mindful that the vast majority of offenders are given definite sentences with fixed terms. Therefore, they will eventually be released into the community. A conditional release of most offenders at a point in their sentence that is consistent with public safety, along with support and surveillance in the community during the balance of the sentence and programming while incarcerated, would appear to provide the best chance for the offender to be a stable, law–abiding member of the community. I submit that this offers the best prospects for the safety of our communities in the long term.

• (1550)

Bill C–45 is one building block in this government's response to the complex issues involved in having a criminal justice system that contributes to the overall protection of the public and the safety of our communities. Bill C–45 by itself is not the sole answer, but I believe it makes important reforms that demonstrate forward movement.

As I outlined to the House during second reading debate, the bill makes improvements in a number of substantive areas. There are situations where the protection of the public means the usual conditional release process should not apply. Therefore, the bill strengthens the detention process by responding to concerns about the early release of sex offenders who victimize children, which in the bill includes persons under the age of 18. The law will make it much easier for the parole board, at the request of the correctional service, to keep such persons in prison for their entire sentence. Where a further offence against the child is likely, such an offender can expect to serve the full sentence in custody without any period of conditional release in the community.

I would like to reiterate that this measure is not needed because we believe sex offences against children are considered more serious than those against adult victims but because the current legislation has proven less effective in cases involving children.

The second main area of change in the bill relates to the accountability and credibility of the National Parole Board. There have been many changes in the board's operation in the past year. This government has placed an emphasis on recruiting experienced, knowledgeable individuals. I believe the government's record of appointments in the past year bears this out.

The members of the board have an extremely difficult job to do, one that few of us in this Chamber would willingly take on. I think we should recognize the challenges involved and the dedication of the members. The board makes thousands of decisions a year and sometimes, despite everyone's best efforts, unforeseen tragedies in the community do occur. These are sad moments and are clearly very painful for those who are directly affected by them.

Every effort possible is being made and will continue to be made to improve the quality of the board's decision making. To support this, the board has recently adopted a code of conduct as well as performance standards. Renewed emphasis has been placed on training and evaluation.

Where problems arise and no other resolution has been successful, Bill C–45 provides for a review of the board member's performance and a process for remedial action to be taken. This amendment in Bill C–45 is there to be used where a board member's performance has clearly fallen below acceptable standards.

Frankly, I think the provision will prove to be a success if it does not have to be used. This may seem paradoxical, but I say this because if it does not have to be used it will mean that we are appointing top–notch individuals, we are providing the necessary training and support, and that corrective action is being taken before serious problems arise in the performance of board members that would necessitate use of the new procedure. At the same time, if the House adopts this measure and it is adopted by the other place and given royal assent, which I hope and expect it will, then the procedure is in the act and of course it is there to be used if circumstances require it.

The third area of reform in the bill is the provision relating to calculating the sentences of offenders who commit multiple crimes or who reoffend while on conditional release during the sentence period. Clearly, tougher provisions are needed to deal with these repeat offenders. Bill C–45 will help eliminate the situation whereby many such offenders may be immediately eligible for parole, notwithstanding the imposition of a severe consecutive new sentence, something that is possible under the current law.

• (1555)

Bill C–45 will cure in large measure the problem of the merger of sentences which has been raised with a great deal of concern by many organizations of the community, including police organizations. I hope this will help bring about the support of the House for this measure.

A fourth area of reform will give the National Parole Board the authority to impose residency conditions on offenders being released on statutory release who pose some risk of committing a violent offence but who do not meet the detention criteria that would, if met, allow the National Parole Board at the request of the Correctional Service of Canada to detain a person until the end of that person's sentence. This amendment was brought by the government during clause by clause study of the bill in committee in response to recommendations by the Canadian Police Association, the Stephenson inquest, and the standing committee itself.

Bill C–45 was one of the first bills to follow one of the new routes for legislation I proposed to the House as House leader and which was agreed to early in 1994. I am talking about referral of a bill to committee prior to second reading.

The Standing Committee on Justice and Legal Affairs devoted a great deal of time and energy to reviewing this bill. In a little over three months the committee heard from over 60 witnesses on both this bill and Bill C–41, the bill on sentencing. Those individuals who testified represented 32 different organizations, including victims' groups, police organizations, professional groups, women's groups, aboriginal organizations, as well as a range of organizations from the voluntary sector.

During both the committee's clause by clause review and the debate during report stage in the House last week, a much broader range of motions was debated than would have been likely under the system of review of a bill in committee only after second reading.

While I know that some members may have been disappointed that not all the motions they put forward were adopted, this new process allowed members to consider and discuss issues that otherwise would have simply been ruled out of order. I want to thank the members of the justice committee for their work and I want to point out that at least some of the suggestions from members, including opposition members, have been accepted by the government.

I mentioned at the beginning of my remarks several other important legislative initiatives taken by this government to help provide safer homes and safer streets for Canadians. As my parliamentary secretary reminded the House last week, significant advances have been made by this government over the past two years to protect the basic rights of Canadians to live in peaceful and safe communities.

I want to conclude my remarks by mentioning some of the initiatives that were taken that did not need legislation to be adopted by this House.

In November of last year I announced a national information system based on enhancements to the Canadian Police Information Centre, or CPIC. This will make more and better information available to organizations across the country to help them screen out convicted sex abusers applying for work with children. These improvements to CPIC have allowed organizations to more thoroughly screen the backgrounds of individuals applying for paid or voluntary work with children or other vulnerable persons.

This government made a commitment in the red book to help prevent the sexual abuse of children by people in positions of trust and the government has acted on this commitment. While the CPIC system is now in place, as I have said, these measures will only be truly effective if organizations working with children are aware of the changes and the need for screening in general and make use of the new system. We have a role to play in providing leadership, education and awareness to make sure this happens.

Along with partners involving the Department of Justice, the Department of Health and the Canadian Association of Volunteer Bureaus and Centres, work is under way to create educational materials and to deliver training to voluntary organizations across the country on screening volunteers and paid staff in positions of trust with children and other vulnerable individuals. These measures will help us to communicate the importance of screening to help prevent child abuse. I am sure this is a goal we all share.

• (1600)

Another positive example of this kind of co–operative effort is recent work in the area of high risk offenders. In January of this year the Minister of Justice and I met with federal, provincial and territorial colleagues in Victoria to discuss the report of our task force on high risk offenders.

[*Translation*]

Not only did we achieve consensus around the criminal justice recommendations put forward in that report, we also had the opportunity to meet jointly with representatives from federal, provincial and territorial health ministers.

[*English*]

This allowed us to have a frank and useful discussion of those issues which crossed traditional criminal justice and mental health boundaries.

I believe we must take a comprehensive view in developing meaningful solutions to the issue of high risk violent offenders. This involves seeking effective answers which draw on the facilities of federal, provincial and territorial systems.

I think it was helpful that the task force looked at the system as a whole. It examined strategies at its front end as well as situations in which offenders are approaching release into the community. The report stressed and ministers endorsed a focus on improved measures at the front end of the system so we would hopefully have fewer problems arising at the eleventh hour when an offender is nearing the point of release.

Implementation of the report is under way and we will continue to fully involve our provincial partners.

Some of the matters in the report require further development before they can be put into operation, while we have been able to move more immediately on others. For example, I announced the implementation of a flagging system which will assist prosecutors in identifying cases which would be appropriate for a dangerous offender application.

The House will recall that if the court at the time of conviction and sentencing rules the accused to be a dangerous offender, that person can be imprisoned indefinitely. In a large country such as Canada where there is a high degree of mobility it is not always easy for a provincial crown prosecutor in one corner of the country to have all the information available which would have a bearing on how a case may be prosecuted. The flagging system which also makes use of the Canadian police information centre will help make that information link.

Similarly, a research project, the crown files project, is nearing completion. This project will provide concrete information about the factors which are significant predictors of dangerousness and which are central to successful dangerous offender applications.

The Minister of Justice and I are also working on legislative changes to make it easier for provincial crown attorneys to make more frequent and more effective use than is the case at present of the existing dangerous offender provisions in the Criminal Code. One key element involves making an indefinite sentence of imprisonment the only sentencing option for those found by the courts to be dangerous offenders. Another would provide for new expanded presentence risk assessments in place of the current requirement for the evidence of two psychiatrists, one for the prosecution and one for the defence.

Another important amendment we are working on in line with the task force report is to change the Criminal Code to create a new category of long term offender which would give the courts a new sentencing option. This would require long term supervision of the offender for up to 10 years following the end of the offender's penitentiary term.

In May the Minister of Justice and I convened a forum involving constitutional and legal experts, including those working with police and with victims groups, to tackle the matter of those offenders who remain dangerous at the end of their court imposed sentence. The forum was a productive session that is assisting us in addressing some very fundamental issues such as constitutional questions and how we identify those offenders with the greatest risk of reoffending in a violent manner.

We are working to develop further legislative action to deal with this important and troubling aspect of the matter of high risk dangerous offenders.

• (1605)

We must recognize the criminal justice system is a system. Activities and events in one part of it have a ripple effect through all the other parts.

[*Translation*]

More vigourous law enforcement places increased demand on courts and corrections, prosecutorial policies can direct more or fewer offenders to community or prison, the availability of community programs may determine what sentences courts view as realistic.

[*English*]

Actions seen as positive from one perspective may have unintended negative side effects. Clearly the criminal justice system is very complex. Moreover, the various segments which make it up come under the authority of different levels of government.

Nevertheless, it is truly one which can work best only if it is well integrated and co–ordinated. It is clear all levels of government, all sectors of the system, social policy groups, police and victims groups must work together. That is one reason last year the government created a national crime prevention council.

I believe we have made an extremely good beginning on improving the criminal justice system in the interests of all Canadians over the past few years. I thank members of the House for all their efforts on the criminal justice front and I look forward to our continuing good co–operation.

I ask that the House give full and speedy approval to the bill in this third reading debate so its useful aspects, every part of the bill, can go into effect very soon to help ensure all Canadians have safer homes, safer streets and the best possible communities for themselves and for their children.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, last spring in this House we debated Bill C–41 on sentencing. That bill was given royal assent on July 13. Bill C–45 is the legislative cousin of Bill C–41; it is a logical continuation to the bill on sentencing. One cannot function without the other, without placing the cohesion of our penal justice system in jeopardy.

Bill C–41 has now become a sort of road map for judges in determining sentences. Bill C–45 attempts to do likewise for the members of parole boards. It lays out the path to take, the *modus operandi* to be followed.

Today, we begin third reading of Bill C–45, a new step toward its passage by this House. This bill is wide–reaching in that it amends the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act, and the Transfer of Offenders Act.

Bill C–45 does not reform the key principles underlying the detention of offenders, and that is a great pity. Despite its obvious shortcomings, however, Bill C–45 represents at least a baby step in the right direction. The Bloc Quebecois has always had protection of the public at heart, particularly the protection of child victims of sexual offenders.

That protection requires a more rigid approach to parole, to the calculation of eligibility in consecutive or concurrent sentences, and to the conditions for release. A totally new tack is needed, but Bill C–45 veers only slightly off in a new direction, far too little.

Public safety must no longer be jeopardized by efforts to rehabilitate offenders. The solicitor general has caught the germ of compromise from his colleague at justice.

• (1610)

In its red book, the Liberal government promised to enhance public safety. Bill C–45, however, remains silent on protecting a specific category of victims.

Let me explain. The bill will change the criteria used to determine whether the perpetrator of a sexual offence involving a child should serve his full sentence. At the present time, the Corrections and Conditional Release Act permits the National Parole Board to detain, until the end of their sentence, sex offenders and other high–risk offenders who are likely to commit an offence causing death or serious harm after their release.

When the victims are children, the serious harm may not become apparent for a number of years. The victim may be too young to express the impact of what was done. It is therefore difficult for the Parole Board to prove that a child has suffered serious harm, to justify keeping an offender in detention.

Clause 42 of Bill C–45 would, in the case of a sexual offence involving a child, relieve the National Parole Board of the need to establish the presence or likelihood of serious harm. It would be enough for the Board to be convinced of the likelihood of a further sexual offence involving a child before the expiration of the sentence according to law.

In other words, if the Board is convinced that the risk is too great, the offender is kept behind bars. The burden of proof is substantially reduced.

As I said earlier, this is a small step in the right direction. However, this measure only affects sexual offenders whose victims are children.

What about adult women who are sexually assaulted? Are they not entitled to the same protection? When we talk about harm assessment, could the real harm possibly not become apparent until many years later in the case of women as well? If the individual assaulted a woman, it will be easier for him to get parole than if he assaulted a child.

The entire public needs protection, children of course, but also women, the other victims of sexual abuse. The solicitor general should reread the preamble to Bill C–72 which is about the problem created by the use of self–induced intoxication as a defence in cases of sexual assault, for instance. The victim in the Daviault case was 67 at the time of the assault.

For the benefit of the minister and those who have again overlooked women as victims of sexual assault, this is what it says in the preamble of what is now Chapter 32 of the Statutes of Canada, 1995, and I quote: "Whereas the Parliament of Canada is gravely concerned about the incidence of violence in Canadian society; whereas the Parliament of Canada recognizes that violence has a particularly disadvantaging impact on the equal participation of women and children in society and on the rights of women and children to security of the person and to the equal protection and benefit of the law as guaranteed by sections 7, 15 and 28 of the *Canadian Charter of Rights and Freedoms*; . . . whereas the Parliament of Canada desires to promote and help to ensure the full protection of the rights guaranteed under sections 7, 11, 15 and 28 of the *Canadian Charter of Rights and Freedoms* for all Canadians, including those who are or may be victims of violence".

That is what this government has to offer the public. Hollow sounding words that mean nothing except to Liberals suffering from acute navel–gazing.

The Liberal government says it wants to protect victims and potential victims, but when we look at the means it proposes to achieve this, we see the government still does not take this seriously.

• (1615)

I ask the solicitor general to go and recite this magnificent preamble to women who are victims of sexual aggression. I think he would have very attentive listeners.

What victims of sexual aggression should be getting from the solicitor general is the assurance that their aggressors will remain behind bars as long as possible and not return to haunt them through premature release.

What the solicitor general is telling them today is that they will not enjoy the protection the law should be giving them, because they were adults at the time the sexual aggression took place.

In 1994, 31,690 cases of sexual aggression were reported in this country. The victims may be divided as follows: approximately one third of them were under 12 years of age; another third were between the ages of 12 and 17. This leaves us with more than 10,000 adult victims. Are they not entitled to the same protection? Will the solicitor general finally have the courage to say that his promise of safer homes and safer streets applies to only one category of victim and not to others?

The solicitor general confided to this House on September 20, 1994, and I quote: "Turning to the bill itself, I believe it is important because it addresses significant issues of public protection in the area of corrections and parole. These are issues on which this government promised action in that same red book as part of its agenda to bring about safe homes and safe streets for Canadians. With this bill we are delivering on these promises".

When the solicitor general said his government was delivering on its promises, I wonder what promises he is referring to. Certainly not the one about everyone being entitled to the same protection at home and in the street. The government did not deliver on this promise. Bill C–45 is merely the beginnings of a solution.

I will give the solicitor general only a passing grade, because this is not the only failing of the bill.

The solicitor general promised on September 20, 1994 as well, and I quote: "We will also be making other improvements in the availability of treatment for sex offenders in the community and in prison".

In theory, gradual supervised reintegration into the community and the provision of help and support services constitute, according to some, the safest way for criminals to be released. I say in theory because, unless he agrees to undergo treatment, the offender may be a time–bomb just waiting for an early release to explode.

Another major flaw of Bill C–45 is that it says absolutely nothing about the kind of treatment individuals found guilty of a sexual offence involving not only a child but any adult victim should be given. It is wrong to say that the mere fact of making treatment more easily available will automatically reduce the risk of repeat offences.

Let me explain. At present, section 88 of the Corrections and Conditional Release Act states that treatment shall be conditional and dependent upon the inmate voluntarily giving an informed consent thereto and "an inmate has the right to refuse treatment or withdraw from treatment at any time".

The treatment referred to includes the care of a disorder of thought, mood, perception, orientation or memory that significantly impairs judgment, behaviour, the capacity to recognize reality or the ability to meet the ordinary demands of life.

In most cases, this treatment is for the very behaviour disorders that have landed the offender in prison.

• (1620)

If treatment remains elective and dependent upon the good will of inmates, those who refuse treatment are in fact refusing to change their behaviour and will not have changed a single bit by the time they are released.

The fact that Bill C–45 remains silent on this subject is disquieting to say the least. Remaining silent when it comes to tackling the real problem and boasting about keeping promises is the kind of attitude that is the trademark of this government. With respect to public safety, the solicitor general certainly did not deliver.

We have every right to wonder why Bill C–45, whose provisions affect thousands of inmates who are released into our communities, remains silent in this respect.

For example, in 1993, 10,317 inmates were granted full parole by national and provincial parole boards. Full parole is a form of conditional release, granted at the discretion of parole authorities that allows an offender to serve part of his sentence in the community.

Parole boards are administrative tribunals with powers to grant, refuse, amend, end or revoke parole for inmates.

Bill C–45 corrects a shortcoming that I have denounced several times in this House. The Federal Court has a general power of supervision over the National Parole Board. This is not enough. There was a need to develop some safeguard mechanisms within the framework of the Corrections and Conditional Release Act.

Bill C–45 provides for disciplinary or remedial measures against commissioners who do not follow good practices with competence and diligence.

Under new clause 155.2, the chairperson may recommend that a member of the board be investigated. The investigator reports to the solicitor general and may recommend removal or suspension without pay if he thinks that the member in question is unable to do the job properly, for example, because he or she is guilty of misconduct or has failed in the performance of his or her duties.

The National Parole Board is an administrative tribunal with significant discretionary powers; the solicitor general had a duty to act on our repeated demands. For once, we got our message across to the other side of this House.

As for the Reform members, it does not augur well. They continue to swagger about and think of themselves as gladiators in the parliamentary arena.

It is easy to behave like a cowboy when discussing parole and conditional release. Our western cowboys do so every day with their thundering comments on sad cases which, I agree, still affect too many victims and their families. But it is easy to make political mileage at the expense of these people.

We realize that our criminal justice system is not perfect and that there will always be room for improvement. Bill C–45 is flawed in certain respects, but it is nevertheless a step in the direction which the Bloc has always advocated.

However, our reform cowboys would rather get rid of the whole system to bring justice to the victims. The wild west has a way of its own. The member for Wild Rose best exemplifies that way of doing things. During the debate at report stage, he invited the solicitor general's parliamentary secretary to visit his riding and to explain the government's ideas regarding Bill C–45. The member for Wild Rose said, and I quote: "You want to sell my people in Wild Rose all your wonderful solutions to crime? You are welcome and good luck. If you think I am loud, wait until you get out there".

• (1625)

As you can see, Reform members have innate knowledge and they know what is good for Canada. This is yet another reason for Quebecers to distance themselves. Quebec uses a different approach because it does not deal with the same type of criminals. The results conclusively show that we are on the right track and that our system should serve as an example.

In 1994, Quebec had the lowest rate in Canada for violent crimes of any category, including sexual assault, assault and kidnapping. Quebec also has the best record for other types of offence to the Criminal Code, including the violation of conditions for release on bail, crimes against public order, arson, prostitution and use of offensive weapons.

Western solutions are not adequate for Quebec. Quebecers are peaceful people. They advocate civic–mindedness, tolerance and balanced solutions to their legitimate concerns regarding public safety. Although not perfect, Bill C–45 deserves the support of the Bloc Quebecois.

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I am not sure where the member who just spoke gets her information about the west. Perhaps she might want to visit out there. I live out west and I do not in any way meet the description which she has given the House. I am a little bemused by that kind of simplistic labelling. Perhaps she will have an opportunity to see other parts of the country one day.

Today we are debating Bill C–45. It has been introduced in the House, examined by a committee and is now at third reading which means that if it passes third reading it will become law very shortly. Therefore, I would like to give a bit of an analysis of this bill and whether it could be improved.

As the House is aware, the Reform Party introduced quite a number of motions to this bill, none of which were accepted by the government. Those motions in our view would have gone a long way toward achieving the stated aim of the bill which is to make our justice and corrections system more effective, particularly in protecting the public. As most members know, there have been 78 re–offences by people who were out on parole in the last year. These people have killed, terrorized and invaded the homes and lives of innocent people.

Canadians have been asking for many months that something concrete and decisive be done about this situation. Therefore, we looked anxiously at Bill C–45 to see whether that had in fact been the result of this bill. Unfortunately we find that it is not.

Bill C–45 is very technical. It has a lot of administrative details about the transfer of prisoners, the calculation of sentences and the figuring out of when people are eligible for parole and when they are not. However, there are some real flaws in the bill. It is interesting to note that the bill was floating around the Department of the Solicitor General in the last Parliament when the Tories were governing. It has now been introduced by the Liberals in a watered down version. It is not even as effective, as strong or as decisive as the original bill. We find that extremely unfortunate.

We feel a number of the provisions in this bill should have been and could have been made much stronger and given a lot more teeth. We wish the government had listened to those proposals. Unfortunately it did not.

• (1630)

For example, we talk about the detention of people who commit offences while on parole. When people are on parole, given a chance to go back out into society and be upright citizens, they have been told: "You do not have to serve the whole sentence you have been given. Now you can go back out into society". We do not have in the bill a requirement that when people abuse that privilege they have to serve the rest of the

sentence they should have served when they were out on parole and the entire sentence for the new offence. Again they are eligible for parole on the second offence they committed when they have already abused the privileges and the opportunity they were given as parolees. We really object to that.

When offenders have shown once that they have no respect for the privilege of parole, an early opportunity not to have to serve their full sentence, why should they be given the same consideration the next time out? How many times do they have to be sentenced and not have to serve their full sentences before we start sending the message that we really mean business about people who violate the rights of others?

That was not done in the bill. It should also have demanded full term detention for all dangerous offenders deemed capable of repeating their offences.

As justice critics we visited prisons over the last few weeks to familiarize ourselves with aspects of the justice system. One of the questions I like to ask when we talk with prison administrators, representatives of guards and prisoners is: "If there were one thing you could change about our justice system, what would it be?" Quite often the answer includes some demand or plea.

Officials and frontline workers in prisons know the offenders who are likely to reoffend. They know these people. They work with them every day. They know their attitudes. They know the way they think. They know the way they operate. They know how they respond to opportunities they have been given. They say: "When we know good and well that these people will reoffend, please let us keep them off the streets and out of our communities".

The bill was a golden opportunity for the government to allow that to happen. It did not do it and it did not support a Reform amendment that would have allowed it.

There are administrators and guards in our prisons who say: "Please do not make us put these people who are a danger to society back out on the streets". Our government says that it is all right and out they go. There has to be something wrong with our justice system. It is no wonder the people who work in the system are as frustrated as the citizens and the victims of repeat offenders.

Other people have mentioned the concern in society that sexual assault is not deemed in and of itself to be a danger or to cause harm to adults. Clause 129(3) of the bill states that the parole board may order an offender not to be released from imprisonment before the expiration of his term if the board is satisfied that the offender is likely, if released, to commit an offence causing serious harm to another person or a sexual offence involving a child before the expiration of what otherwise would have been the offender's sentence.

We are very unhappy with the distinction made in this clause between serious harm to another person and sexual offence involving a child. We would have thought that offenders who were deemed to be likely to commit a sexual offence against anybody should be made, at the very least, to serve their full term. Never mind going on, as we have suggested, and being incarcerated indefinitely if they are deemed to be likely to commit a sexual offence.

• (1635)

Sexual offences against children are the only crimes that would make a person serve his full term. We just wonder about that. The government makes very loud noises about caring and compassion, particularly for women, and then it says that a sexual offence against an adult woman may not be deemed to be causing serious harm. It has to be shown that a sexual offence against an adult woman involves serious harm.

Sexual offence against any female whether she is eight or eighty is by definition a serious harm to the individual. I am very surprised the government would make a distinction and say that sexual offences against children will keep somebody incarcerated and not be too concerned about sexual offences against any other woman of an older age. I object to that and I think all Canadians should object to that. I find it a very unacceptable distinction in the legislation.

Much is made by the government side about holding the parole board more accountable. All the bill does is allow the chairman of the parole board to call an inquiry when an offender released on parole by the board reoffends. Can we imagine a chairman of the board who let an offender out who reoffended being the best person to decide when the actions and the decisions made by the parole board should be investigated? Is that not a bit like asking the fox to guard the hen house?

If we have a parole board that has screwed up, that has let somebody out who has hurt other people, should the chairman of that body decide whether the particular decision should be investigated?

One of our amendments was to mandate an investigation of the parole board decision in any case where an offender was let out into the public on parole and reoffended. Here we have a situation where only the chairman of the parole board can mandate that kind of investigation.

When Liberal members applaud the bill as putting restrictions on the operations of the parole board, the public should be aware of how toothless those restrictions really are in that the power to hold the board accountable can only be exercised by the chairman of the board. Certainly that is not what the public has in mind when it talks about holding the parole board more accountable and having its foul–ups reviewed.

There was an opportunity in the bill to do a number of things that the public has been asking for. Yet we see that the bill has fallen far short. We in the Reform Party are in a real dilemma about the bill. The weak, almost ineffectual steps taken in the bill will not necessarily hurt anything. The government should have done much to help straighten out the system and get it more decisively and solidly on the side of making sure that our justice, corrections and parole systems really do the job for Canadians. The bill just does not do it.

What do we do? There is nothing here we could not support because there is really nothing in there at all, except a bunch of administrative add–ons that may or may not make very much difference. How can we support a bill that should have done something substantive for Canadians, for the criminal justice system and for the reforms that the Liberals are so fond of talking about, promising and saying are a piece of the action, when it just does not deliver?

On balance, when the government introduces a bill that should have done the job decisively, strongly and effectively and fails miserably, how can we support that? How can we say this is something worthy of support? We cannot do that.

• (1640)

For some of the reasons I have mentioned and some of the reasons my colleagues will be mentioning, we say to the government that the bill is not good enough for Canadians. It is not something the House should support. It is not something we can in any way suggest does the job that should be done.

We ask the government to take back the bill and give us something that does the job. Then we will support it 100 per cent.

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, it is an honour to speak today on the motion for third reading of Bill C–45, an act to amend the Corrections and Conditional Release Act and related statutes.

Recent polls and letters received from constituents indicate that crime is a major concern among Canadians today. Among other vital issues such as national unity and the health care system, individuals are greatly concerned with crime. Only matters relating to the economy and the deficit seem more important to our fellow citizens. It is clear that the government must assume leadership in this area.

We have already made a commitment to address the issue. The red book stipulated our commitment to fight crime and violence by more effective measures and social reform. Last fall the solicitor general introduced the bill as part of a strategic framework of initiatives for safe homes and safe streets for all Canadians.

I will address the second main area of change resulting from Bill C–45, the accountability of National Parole Board members. However first let me briefly explain the concept of parole.

Canada's discretionary conditional release system is based on the principle that a gradual, controlled re–entry to the community better serves the interests of public safety than does direct release. It is a way of managing with supervision and conditions the transition from incarceration to life in the community. The numbers support the principle.

Clearly the performance of the National Parole Board is only as good as the decision it makes. Consequently the credibility and accountability of the board are directly linked to the qualifications and judgment exercised by its own members and to the quality, completeness and accuracy of the information provided to the board for review. The requirement for board members to have the relevant skills and knowledge to make sound decisions is essential in order to perform their responsibilities professionally.

Board members face the difficult task of making decisions about the timing and conditions of an offender's release in a manner that contributes to the long term protection of society. It is therefore only logical that the individuals who make those decisions are chosen from the best qualified candidates.

As mentioned by my hon. colleagues, there has already been considerable progress in this area and in others. Over the last several months a number of important events and activities have taken place which have helped to shape a renewed course for the National Parole Board.

This was largely brought about with the appointment of a new chairperson, Mr. Willie Gibbs, who brought to the board impressive knowledge and experience in the criminal justice system. Mr. Gibbs was chosen after a comprehensive selection process, and a similar system is now in place for all member appointments. Already new board members have been recruited under these provisions. It should be noted also that the Standing Committee on Justice and Legal Affairs has the ability, which it has been using, to call new appointees before the committee for questioning.

Let me explain these measures in more detail. These appointment provisions include a set of revised criteria which all applicants must meet, emphasizing experience and knowledge of the criminal justice system and in particular corrections and conditional release systems in Canada.

National Parole Board vacancies are now advertised in the Canada *Gazette* and include the qualifications and abilities required. After a screening process those who ranked highest in meeting the criteria are interviewed by a committee chaired by either the chairperson or the executive vice–chair of the National Parole Board. A list of successful candidates is then submitted

to the Solicitor General of Canada. That list is then reviewed and sent to the Privy Council Office for the final appointment.

In all regions of Canada applicants have gone through the process and new part time and full time board members have been selected.

• (1645)

The revised appointment process does not preclude the fact that current board members are competent, but it does underscore that the Government of Canada recognizes the difficulties of being a board member and ensuring the challenges are met with the kind of knowledge and competence these positions demand.

In addition to the improvements I have already mentioned, the National Parole Board adopted a code of professional conduct and performance standards to guide all board members in their duties. The specific provisions of the code of professional conduct cover such areas as promotion of integrity and independence, general conduct, conflict of interest, decision making, conduct during proceedings, continuing professional development and disqualification and reporting, to name just a few.

These standards and the code of conduct were created to better articulate board members' individual accountability as decision makers and to preserve the integrity of the board itself. They represent the members' acceptance of the highest ideals of professional conduct and the responsibility of board members for decisions that directly affect the interests and safety of entire communities as well as individual victims, offenders and their families. Most important, these high standards promote respect for the law and will help to improve public confidence.

The proposed amendments for the adoption of a disciplinary system for board members were made in order to correct a board member's performance if it has fallen below acceptable standards. The enactment authorizes the chairperson of the National Parole Board to recommend to the minister that an inquiry be conducted by a federal court judge to determine whether a board member should be suspended without pay, be removed from his or her office or be subject to other disciplinary or remedial measures. This measure is not intended to second guess board members or to respond punitively where a case has gone wrong despite everyone's best efforts. Rather, this would be a review mechanism available where a member is clearly not performing up to acceptable standards.

The solicitor general has stated that he hopes this provision will never be used. I am confident this is a hope all of us share on all sides of the House, as it will mean that the renewed appointment process and proper training are working well.

The solicitor general also mentioned the need to improve the quality of decision making at the National Parole Board. This is another area in which the board continues to adapt to changing needs to ensure the best possible decisions are made. These measures have already been implemented and I name here just a few.

First, the board has created a national training framework. Board members require comprehensive orientation and continuous and continual training and development to keep abreast of changes in law, policies and procedures, risk assessment and management and generally to improve their performance.

Second, thorough reviews of specific case audits in national investigations are used as training tools to ensure procedures are followed and duties are performed in accordance with the law. Investigation findings and recommendations may also be used in performance appraisal systems.

Third, all board members are currently subject to annual reviews of their performance. The first round of appraisals is now completed and has provided the board with an opportunity to address any weaknesses identified, provide the needed training and take appropriate corrective action in certain cases.

Fourth, a new training package is provided to board members which addresses the area of risk assessment alone. This cohesive training package focuses on how current research, theory and opinion in the human and social sciences can assist National Parole Board members in their decision making relating to risk management and risk reduction.

It is obvious that despite the most recent and precise risk assessment tools available, tragedies can and do occur. These tragedies affect all of us deeply and we must react by seeking solutions to prevent further tragedies. However, we have all come to recognize that each case represents different and often complex challenges and that even the best research can yield less than perfect predictions of reoffending. Our corrections and conditional release system is based on human assessments of fellow human beings. Even with all of the available information, predicting human behaviour has never been and will never be an exact science.

I think it is important for Canadians to have a clear understanding about the success of parole as measured by recidivism rates. A successful parole is measured by completion of sentence time without revocation of parole. Follow–up studies done for the parole board over the last few years have shown a success rate of approximately 70 per cent for full parole releases granted by the board. Studies showed that some 15 per cent of full parolees were returned to prison because of breach of a parole condition, while 13 per cent committed a new crime.

• (1650)

Primary consideration of any parole board decision revolves on the concern always for public protection. We should also note that the average annual cost to incarcerate an adult in Canada is $46,000, while supervision of an adult in the community costs on average $8,500 per year.

There are other areas in which we can work together to minimize the risk posed by offenders. Bill C–45, including its changes to the National Parole Board, clearly represents a step toward the government's commitment to public safety and security. The changes dealing with the National Parole Board have not been created and will not be carried out in a vacuum. They are only as good as the criminal justice system in which they operate. Every effort must be made to work in partnership with other agencies and with the communities we represent so that use of the limited government resources is maximized to ensure public safety at every stage in the offender's contact with the criminal justice system.

As the MP for London West, I have spent time in my city visiting the facilities and the people involved with our parole system. As the solicitor general has stated, the system will work best if it is well integrated and co–ordinated.

I am sure we all seek an efficient, professional corrections and conditional release system. To this end, I join with my other colleagues in the House in urging all members of the Chamber to support the amendments reflected in Bill C–45.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I do have one question relating to the statistics and the demographics the hon. member has put before the House.

I constantly hear from the government, in particular in the last speech, about success rate, how successful the parole board has been and how successful the management of crime has been as far as the government is concerned. I would like to ask what the member or the government would do with the unsuccessful circumstances. For instance, I got a telephone call in my riding from a parole board member who went on and on about the 87 per cent success rate. I reminded that individual that this means there is a 13 per cent failure rate and that it is the failures that are affecting family after family.

When will the government look at the failure problem and not rely on statistics from the government department that has the problems? Those statistics are typically about success rates. Could the member please respond?

Mrs. Barnes: Mr. Speaker, I thank the hon. member for his question.

The parole system is very difficult to understand one has not been involved with it personally or if it has not been thoroughly explained.

Failures will always occur in any system invented and dealt with by humans. Unfortunately, we are not clones of one perfect being on this planet and there will be error. We have to strive to create the best system we are capable of.

The law will change and will continue to change. I do not think any of these ministers who are trying to accommodate the concern of the public and the reality of our system of justice in the country will stop providing better and better legislation as time goes on. We move forward one step at a time.

What I want to point out to the member is that what this act talks about are sections dealing with the parole decisions. It is a fact that we do have more successful interventions by our justice system with the parole system where people get conditional releases than if they just hit the wall where they are released into the public, where there is no parole given.

• (1655)

In actual fact, our success rate is much higher than if somebody comes to the end of the time they have to serve by law and walks onto the street, because there has been no management in the community with the assistance and the tools that we can provide, and this act provides, if we just say the time is up and let them go. Our success rate is better with this parole system. Fortunately for Canadians, these are the statistics and they are correct.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I read with great attention the speech by the hon. member. I found it interesting, especially when it comes to improving the parole board. I think there is a need to improve the way the board operates as well as the appointment process. I hope that the government will keep its word because we were also promised that there would be no partisan appointments to the IRB, the Immigration and Refugee Board, that appointments would be based on competence, but we are not quite there yet.

My question has to do with the application of this bill. Why does it not apply to sexual offenders whose victims are adult women? As the hon. member for Saint–Hubert said, last year, over 10,000 cases involved adults and not only sexually abused children.

[*English*]

Mrs. Barnes: Mr. Speaker, I thank the hon. member across the way. I do want to address that because there is a misapprehension that we somehow care less about adult sexual assault victims. That is not the case.

The case is that we really want an equalized treatment. Most adult women who are sexually assaulted do realize and recognize very rapidly the impact of that assault and are usually in some manner able to articulate that well. The parole board can be given information by the victim of that assault and that will be in the case preparation material. They can file materials that will help build that case. However, that is not true and has not worked for young sexual assault victims. There are many instances where young children who are sexually assaulted have great difficulty in articulating this and sometimes keep secret what happened.

In that instance, we have taken corrective action in this act. It is not to minimize assault to any person, but there is a mechanism there to prevent something that was not allowing us to realize the impact of the serious harm done to somebody.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is a pleasure for the fifth time to speak on Bill C–45.

Before addressing some of the specific things that are not in this bill and were in fact refused by this government to be put in this bill, I want to talk about a couple of semi–quotes that were spoken here today.

First, my colleague across the way says we must move forward one step at a time. This is once again the Liberal way of managing, one step at a time. It astounds me that this government cannot take a bigger step rather than one little step at a time. What is the problem with this government which insists we take just a little bit at a time? A good example is the Young Offenders Act that the justice minister spoke about at noon today in front of the Parliament buildings. He expounded on how good a job the Liberals have done on the Young Offenders Act. It is a poor job. It is an abysmal failure. One only has to ask the victims of violence groups who are involved with the Young Offenders Act what they think. They will tell us it is an abysmal failure. One step at a time is not good enough today.

• (1700)

I have a couple of other comments. The solicitor general in talking to this bill said: "Sex offences are considered more serious against children than adults". Just where does a Liberal government get that idea from?

I could refer the government time and time again to cases I have been involved with relating to adults who were viciously and sexually attacked who would disagree with that comment. I know a lady by the name of Joan who is watching now. We went to court together to deal with the creep who got her. Joan is 63 years old. I do not think for a minute that Joan, who was sexually attacked, would agree that sex offences are considered more serious against children than adults. What kind of statement is that coming from any government much less a Liberal government?

The previous speaker said: "Most adults realize the effects of a sexual assault". That is some kind of convoluted reasoning to provide more impetus, something for the victims of child assault than for adults. What kind of reasoning is that? Most adults realize the effects of a sexual assault. That is a reason to downplay the effects of a sexual assault on an adult? What kind of logic do we have in this House of Commons?

They can shake their heads but we are right.

An hon. member: You're far right.

Mr. White (Fraser Valley West): Far right, thank you.

The solicitor general talked about bringing forward the Young Offenders Act and how the government did a good job on it. He then talked about gun control, another abysmal failure of dealing with crime. We now have to realize that the largest percentage of this bill was in the House before. You may recognize it. It was brought in by that party from Jurassic Park. That goes to show us where those two parties come from, the same bent. There is no change and there is no plan.

There is going to be some accountability in the National Parole Board. When I asked my question of the previous speaker I asked it for a clear reason. It was because of the numerous discussions I have had with parole board members and my attendance at numerous parole board hearings. The difficulty I have with some of the reasoning of the government comes from the fact that it leans on success rates. Success rates, while nice, do not give any accommodation to the failure rates, the victims.

When a parole board member phones me and says they have an 87 per cent success rate, I tell them to give some thought about the 13 per cent failure rate. Those are the people coming through our doors.

Let us have a little look to see what things were put forward to the government by the Reform Party which the government said: "No, we reject that in Bill C–45". Let us see if the Canadian people would agree with this Liberal government. We said: "Why not provide for compensation to victims of crime and for medical treatment for victims of sexual assault to be paid for by the perpetrator?" Was that accepted by the government? No, indeed. Why? Ask a Liberal. If Canadians were to ask the people on this side of the House we would say there is more to the problems of a victim than just room and board payback.

• (1705)

This is the government that still gives old age security, CPP, guaranteed income supplement and GST rebates to inmates. The government is still intent on saying it can now introduce a 30 per cent charge for room and board. Come on.

We talked about no statutory release for violent offenders. Would the government go along with that? No, it would not. What is wrong with no statutory release for violent offenders? The government knows darn well that the greater percentage of inmates will reoffend when they get out. If it does not believe

that through statistical data it should ask the wardens, talk to the inmates. They will confirm it.

We said: "Why not ensure that criminals serve their full sentences if conditional release is revoked or suspended?" What is wrong with that? The Liberals do not agree. In other words, if an inmate gets out on unescorted temporary absence and reoffends he is hauled back in. His parole is revoked but he is entitled to apply and gets back out on parole. If these people are getting out on parole, perpetrating the same or similar crimes, do you think they have been rehabilitated? Do you really think it is a wise idea to allow them to apply for parole again? My goodness.

The Deputy Speaker: I would ask that the hon. member please direct his remarks to the chair. I would be most obliged if he would do that.

Mr. White (Fraser Valley West): Mr. Speaker, there is something wrong with this kind of thinking. In one particular parole board hearing I was at, an individual was before it for a revocation of his parole. He was a fraud artist. What was he doing? He was setting up his next scam while on parole. What happened? His parole was revoked. Is he entitled to get back out? Yes, indeed. He can apply again for parole.

Something has to be wrong somewhere if the government cannot acknowledge the fact that there has not been rehabilitation, that this individual will reoffend and that it is not healthy for the victims to allow him out. That does not seem like such a difficult problem to resolve.

We said we would ensure that criminals served their full sentences if conditional release is revoked or suspended. The government said no, it cannot agree with that.

Let us talk about a child sex offender registry. We suggested that a complete registry be established. The government says: "No. Do not do that. CPIC will look after it". CPIC is the system run by the police.

• (1710)

Why can the Liberals not acknowledge the fact that everybody is concerned about sex offenders and everybody wants and should have the right to know? They should have that right.

If I am living in any community in this country, before my children go out on the street I want to know if there is a sex offender living next door. It is not appropriate simply to leave it to the police. The police are not going to sit outside this guy's door all day long.

An hon. member: They are too busy registering guns.

Mr. White (Fraser Valley West): It only stands to reason that the police get involved with the next sex offence of that sex offender after he perpetrates the crime. The best defence for victims is to know who is living next door or down the street.

That is why people like Sandra Cunningham are leaders in this country. She was out in front listening to the wonderful words of the justice minister today. She prints the tri–cities child care guide. She prints the pictures, the MOs, the dossiers of pedophiles. That is necessary in this country.

I know there is not much agreement across the way because probably that pedophile's rights have been infringed upon.

Alan Winter came from my riding. The Liberals call these isolated incidents. I have more isolated incidents in my riding than most. At last count Alan Winter had victimized 31 children. He was incarcerated as a dangerous offender. He got 16 years. Unbeknownst to every single one of those victims he was allowed out in just over five years. Nobody knew he was out. There was no registry. I am not even sure the police knew about him. The only reason they found out is because more victims were going to lay charges against him and they said: "He is not in here any more". It does not make sense. This is not partisan politics, this is the real world. These are real, sincere problems.

Another amendment we asked for was a mandatory review of parole board decisions where a violent offender is released early and commits another violent offence during release time. That was rejected by the government.

I have spoken about Wayne Perkin in the House more than once. Motion No. 19 was very appropriate for Wayne Perkin. Good old Wayne knocked on a door in Aldergrove in my riding and encouraged the lady to go out in her garden shed to get a lawnmower. When she went in with him what did good old Wayne do? He beat her over the head with a hammer, taped her hands behind her back, injected her with cocaine and raped her. That was not sexual assault as the lawyers would call it, it was rape.

What did Wayne get courtesy of our judiciary in Canada? Six years. Her life will never be the same.

• (1715)

The parole board let him out early, the good old parole board. What did Wayne do? One would think maybe a miracle had happened and after two or three years and maybe good old Wayne turned into a good fellow. Maybe he took an anger management course. They let him out early.

Mr. Dhaliwal: Do not get too angry.

Mr. White (Fraser Valley West): Do not get too angry? What do these people think we are talking about here? Good old Wayne went into an apartment and injected Angela Richards

with cocaine. Is this familiar? He stabbed her 20 times, killing her.

When I was sitting in court during the sentencing I thought there was something missing in the courtroom besides the 50 of us who were allowed in crying. Where was the parole board that let him out early? Angela Richards would be alive today. The board should have been sitting there listening to the rest of us cry. Then there should have been a mandatory review. Those responsible should have been fired and taken out the door as fast as Wayne Perkin was when he was let out of prison.

What do we ask for in the bill? We would have required a mandatory review of parole board decisions when a violent offender is released early and commits another violent offence during release time. Is that too much to ask? The answer over there is no, we do not need that.

Perhaps the Wayne Perkin case was an isolated incident. The members across know it was not. For the life of me I do not understand why these backbenchers do not get on the cabinet to get its members to change their minds on some of these things.

It is like digging holes on a beach; the water keeps coming and the sand keeps filling the hole. How do we make this government listen? How many people does it take out in front of the House of Commons to put some sense into a Liberal government? Is it that it just wants a really good fight in the next election? We will see who comes out on top on this issue.

What I talked about the other night bears repeating, the mentality we are dealing with in corrections today. If I can recall all 23 reasons why it pays to be a criminal in this country I will riddle them off. We are talking about charging an inmate 30 per cent for room and board. It is not 70 per cent, not 100 per cent, but 30 per cent. They cannot have very much behind closed doors in prison.

Let us see what an inmate gets in prison and what our senior citizens or those with little or no income get on the outside. We know they get room and board. We know they get counselling, which is good. Anger management courses always work, they say. They have the right to refuse to work. They get free condoms, let us not forget that. They have the right to call their legal aid lawyer when they want. It is ironic that we have a government today that had to serve an injunction to Clifford Olson to stop him from filing lawsuits against the crown. At last count he had 30.

• (1720)

They have bleach for their needles; project bleach, as it is called in my riding. They get a one ounce bottle of bleach to prevent the spread of HIV. They sterilize their needles for cocaine intake.

Wait a minute, something tells me this is the same kind of logic we are dealing with for the parole board. There is a better way. Stop the drugs from coming into the prison. They are not allowed alcohol in prisons so perhaps they would allow the prisoners to have Diet Coke and ice cubes in the event they bring in booze. This is the convoluted logic we see.

Let us not forget any additional income an inmate may have. They get old age security. I found one individual, a double murderer, getting old age security. My grandmother would be less than pleased about that. They get the Canada pension plan, the guaranteed income supplement and GST rebates.

It is so frustrating to drive by Ferndale penitentiary, a couple of miles from my house, and see a nine hole golf course. It is frustrating when the law–abiding citizen has to go up the road and pay $30 or $40. I asked the warden why there was a nine hold golf course. The answer was for rehabilitation. They have to learn to get along on the outside. There is a difference. Many of us do not golf today. It is expensive. All of us have to pay for it.

If the government is trying to rehabilitate them I suggest it is going about it the wrong way. If members think this is Reform rhetoric, ask the employees of corrections. They will say some of this is a waste of time. It is not right.

When we compare people on the outside to people on the inside we wonder who is getting punished. They offer lots of taxes. They offer frustration. When we checked to see how much smokes are inside a prison compared with outside, they run anywhere from 42 cents to $1.62 cheaper per pack.

With Bill C–45 the government is out to lunch.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, from the comments I have heard from the Reform member, one would think we were opening up the prison gates and letting the prisoners go free all over the country to commit murder and mayhem. What we are doing is tightening up the system, toughening up the system, having more concern for the protection of Canadians.

• (1725)

I suppose if the Reform Party members were writing this bill it would be perfect and another crime would never be committed in Canada. If Reform Party members are planning to vote against this piece of legislation perhaps they would like to explain why they want to vote against holding parole board members more accountable for decisions they make and why they want to vote against retaining people who are a danger to society, particularly a danger to children.

I do consider a crime against a child as the most serious, most heinous crime that can be committed. That is not one bit to undermine the horrendous damage done by any crime against

any person, particularly a crime of violence or crimes that violate the sanctity of the person, as sexual assault or rape does.

When added to that is the abuse of the innocence of a child, I regard that as the most horrible thing anyone can do. As a woman I well understand—

The Deputy Speaker: The hon. member for Fraser Valley West will have the right to reply.

Mr. White (Fraser Valley West): Mr. Speaker, it is not right to assume the Liberals would be opening up the gates and letting these prisoners go free. In many cases I am not sure why they would want to go free. That was precisely my point.

It is difficult to oppose at times some bills in the House. This is where I get to the problem with the Liberal government legislation. Those members come half way to doing the job and we are saying the government has to take it all the way.

What do we do? We are in a conundrum of either supporting it or saying the government has not gone far enough. The government makes it difficult in those situations to get agreement from this side. That is truly unfortunate because the amendments to the bill I mentioned were not unreasonable.

The example the member gave about a crime against a child being a more severe crime is not the point. The point is if there is a sexual crime against a child or an adult, make them both tough. Do not isolate the child. Make it child and adult. Why could the government not have done that? That is the point.

The government is taking these issues half way. If it would take them all the way and incorporate some of these things and toughen up on this crime like the people of the country are asking for, there would be support from this side of the House.

[*Translation*]

The Deputy Speaker: It being 5:30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

THE UNDERGROUND ECONOMY

The House resumed, from May 18, 1995, consideration of the motion that, in the opinion of this House, the government should consider the following initiatives for addressing the underground economy: (*a*) an enhanced information campaign to educate the public and to encourage their participation in addressing the problem; (*b*) a limited amnesty on interest and penalties otherwise payable when a taxpayer voluntarily declares income previously undeclared; (*c*) a tax credit to taxpayers on home improvements and renovations to provide an inducement to create the essential paper trail and to serve as one of the primary vehicles for the information campaign.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, I am pleased to speak on the motion put forward by the hon. member for Mississauga South regarding the underground economy. I would like to begin by addressing the thrust of his proposal and comment on its three elements, because this proposal is really threefold.

Let me say right away that we agree with the thrust of the proposal, because I think everyone agrees that action must be taken to tackle the problem of underground economy. There are all kinds of numbers being put forward and debates taking place, some excessive, some not, but the fact remains that a lot of money is slipping through the government's fingers.

Naturally, taxpayers are not the only ones at fault here. It is because the tax system is becoming more and more complex and less and less acceptable to taxpayers, to the point that they feel justified in turning to the underground economy.

Let us look at the three components of the member's motion. First, he proposes an enhanced information campaign to educate the public. I think everyone will agree with that suggestion. However, we must be careful not to end up with some complex bureaucratic structure merely to explain the harmful consequences of an underground economy.

I think the public is quite well aware of the issue. However, such a measure would certainly be useful, and it would also be consistent with the concept of the people's responsibility as citizens. As elected representatives, we all have an obligation to promote individual responsibility, and we must also serve as an example. It might be necessary to make some members and ministers aware of the impact of the measures which they take and which lead people to reject our tax system.

The second proposed initiative is a limited amnesty on interest and penalties otherwise payable when a taxpayer voluntarily declares previously undeclared income.

Our system already provides for an amnesty on penalties for voluntary disclosures. As for the interest payable, we have to be cautious. Such a measure should be of a temporary nature, should have a time limit set. Otherwise, some people might be tempted to not declare income in a given year, since they would not have to pay any interest, even if they got caught. Such a scheme would enable these people to use the money for a year or two, before the department tracked them down.

If we are to have an amnesty, it should be defined and limited in time. It would be a way to go back to square one and do things properly from then on.

The third part of the motion is an interesting approach that should be explored. When we talk about the underground economy, what comes to mind most of the time is the construction industry. The underground economy flourishes there because regulations are so complicated. There are other consequences, but that industry is very much affected by underground activity, and sooner or later we will have to regain control over that industry because we are losing a lot of revenue. Entrepreneurs who want to operate within the law have a hard time fending off fierce competition. Just about everywhere, things are done under the table.

A tax credit for taxpayers seems like a good approach, but we should determine how far we are willing to go, how much the credit should be compared to the savings to be made by turning to the underground economy, because that is what the population will try to figure out, and how much it will cost the government compared to the revenues the tax credit will generate. If the credit is not high enough, it will not work. It will cost us more than before, and only some people will use it. But this is a good start, an approach to consider.

However, it must be done in close co–operation with the provinces, especially where Quebec is concerned. Each province may have its own set of rules for the construction industry, and the approach used must be consistent with the way tax revenues are generated in this sector.

The hon. member for Mississauga South has moved a motion which makes a lot of sense and which we will support. I would like however to address other concerns I have about the underground economy.

There was a lot of discussion in this House, in Canada and in Quebec when the GST was introduced. Many people link the increasing popularity of the underground economy with the implementation of the GST. I would like to remind everyone that the GST was not a new tax. It replaced another tax which the population did not see, because it was hidden, but the GST did replace another tax. What is new is that the GST applies to services.

When we talk about the underground economy and the taxation of services, we have a problem, because nothing is easier to avoid than a service tax. When a carpenter, a plumber or an electrician comes to your house and does not charge for his labour by the hour, it is very hard to find out whether he did or did not work or how long he worked. Ever since the government decided to get into taxing services, there is one element that is almost impossible to control because it all depends on the good faith of the public, a public that felt governments were taxing them enough already. This new tax has increased public dissatisfaction.

Oddly enough, I saw a poll when we were considering the GST—which has yet to be amended, but I will get to that—and it seems people work harder to avoid the GST than they do to avoid paying income tax. This despite the fact that income tax rates are often 30, 35, 40 or 45 per cent, which means 30, 35, 40 or 45 cents on a dollar earned, while in Quebec, the combined QST and GST is 14 per cent. Nevertheless, people will work harder to avoid the GST because they are upset by this tax and find it very hard to accept it.

• (1735)

Much of this can be blamed on the Liberal members opposite. When the GST was adopted, they were up in arms and even made a major commitment during the last election campaign to abolish the tax. After that they said very discreetly that they wanted to replace it with something else. Once in power, they said they could not afford to forgo 15, 16 or 17 billion dollars worth of revenue, depending on the year. Something else had to be found. But how, meanwhile trying to convince people that they got rid of the tax? Voters are not easily fooled and talk about it to their members, I am sure, because these are subjects that often come up in caucus meetings, apparently. Their commitment was not met because they were forced to collect this revenue, contrary to their campaign promises.

The Prime Minister has repeated this in the House. I quote him from memory but correctly I think: "We hate that tax and we are going to abolish it". That was two years ago. In my opinion discussing a tax, replacing it or abolishing it, can take a certain amount of time from the point the decision is taken. In reality, application can take a minimum of six months, generally at least a year, due to the time needed to explain it, to have people understand it, to try to gain its acceptance.

So two years of the mandate are down now, and after three years, for it will take at least a year, there will still have been no change, because agreement with the provinces on taxation reform is not possible.

There is a problem when the government creates expectations, when it wants to make this type of changes and does not make them. That does not do anything to increase people's confidence in the taxation system, much less in those who design it and those who have to administer it. The government will have to act at some point. It is nice to have these motions, I have nothing against the member who is moving it, but he will have to exert some pressure on his colleagues at Revenue and at Finance, and on the cabinet, so that they live up to their commitment and come forward with proposals, because we have not seen anything yet.

While they are talking about taxation, I would also like to talk about something else. In Quebec, at one point there were different views of the economy, and the government of Canada was perhaps more active on the economic front in the post–war era. During the war, it had taken over a lot of taxation power from the provinces, particularly Quebec. It never gave it back.

As a result, in Quebec, we have two income tax collection systems. Revenue Quebec and Revenue Canada both collect taxes, they each have their own income tax return; every year, we must fill out two income tax returns, because taxation can be a powerful economic development tool. Through taxation, each government imposes its own vision of things, and taxpayers have a hard time sorting things out. Very few of them are able to fill out their income tax returns on their own, not because they are lacking in skills or ability, but because the returns are just too complicated. I am convinced that there are not many members in this House who fill out their returns on their own. And yet, we are the lawmakers and the ones who pass legislation and establish policies.

So there is indeed a serious problem which, over the years, has led to confrontation between Quebec and Canada because Quebec would have liked to have full control over its tax system and use it as an economic development tool. But this is not the case. I would also like to remind people who are watching us today that, not only do we have two systems, not only do we pay taxes to both Quebec and Ottawa, but there are transfer payment mechanisms to transfer money from one government to another. We send our tax money to the federal government, which gives it back to the province through transfer payments, not always in the proportions that we would like. This system is cumbersome and complicated, and requires a lot of manpower.

To conclude my remarks, since I only have thirty seconds left, I want to say that the hon. member's motion makes a lot of sense, but I would like him to remind his colleagues that they have made a major commitment and that they will have to put forward concrete proposals, hopefully before Quebecers make a decision on October 30, on what they intend to do with regard to our tax system, particularly with regard to the GST.

[*English*]

Mr. John Maloney (Erie, Lib.): Mr. Speaker, it gives me great pleasure to address the House this afternoon on Motion No. 382 sponsored by the member for Mississauga South. I would also like to take the opportunity to commend my hon. colleague for his work in this area.

The underground economy that is the focus of this motion is of major importance and has implications for Canadians right across the country. There has been a great deal written about the size, extent, nature and causes of the underground economy.

• (1740)

As members are probably aware, estimates on the size of the underground economy vary widely, depending on the methodology that is used, from 2.5 per cent to 3 per cent of GDP to over 20 per cent. That translates into $20 billion to $140 billion a year.

The greater the activity in the underground economy the less revenue is available to governments. Underground economic activity creates unfair competition for honest businesses. Jobs are lost. Therefore, honest taxpayers are forced to pay more than their fair share of taxes.

We all know that deficit elimination and the eventual repayment of the federal debt will depend primarily on long term economic growth and job creation. While spending cuts may contribute to deficit reduction, why should we continue to cut programs when the collection of legitimate tax revenue could be substituted?

We need to seek out options and solutions. It is imperative that an attack on the underground economy be part of the overall solution.

For many individuals and businesses the underground economy has become a convenient way to avoid paying taxes. When these people take their financial transactions underground they are failing to make their contribution in support of Canada's social and economic programs. These people do not pay for the services they use. Instead, other Canadians are forced to pay more.

People who deal in the underground economy may feel that their financial situation justifies their actions. It may be because it has been several years since their last raise. It may be because they feel the tax system is too complex or unfair. Or it may be just basic greed. They see cheating the tax department as a victimless crime. Let me say that, whatever the reason, underground economic activity makes victims of us all. Indeed, all Canadians are victims and this does not sit well with me.

I ask members as well as all Canadians to consider the real cost of underground economic activity. The cost is large. It shows up in reduced essential services, taxes higher than they would otherwise be, unfair competition and a reduced standard of living for the honest taxpayer.

How does the underground economy affect a legitimate business which is trying to be competitive? The Canadian Homebuilders Association is concerned. Indeed, home renovators who evade taxes have an unfair advantage over honest contractors. Honest businesses are at a competitive disadvantage because they cannot offer a customer the same deal as that offered by someone who will do the work but not collect the taxes. The end result is that the legitimate business faces unfair competition and job loss.

I ask the members to put themselves in the place of an entrepreneur who plays by the rules and who diligently collects and remits tax to the government. How would they react if they lost work because someone dealing under the table outbid them for a contract? I would certainly be upset and I would insist that the government do something to restore fairness to my situation.

We must not forget the dishonest consumer. The dishonest consumer who takes the lower price and pays cash is cheating the system and becoming a party to the evasion of taxes. These consumers benefit from the full range of government services

but do not pay their fair share. All they have done is take part in a transaction which jeopardizes our health, education and other essential economic and social services. This is simply short-sighted and unfair. It is illegal and criminal.

The underground economy results in lost revenues for the government which, as I have said, jeopardizes essential social and economic programs and forces honest Canadians to pay more taxes.

The motion before the House is a three–pronged motion. It suggests that the government educate the public and encourage their participation in addressing the problem. I agree that Canadians need to know the facts about the seriousness of the underground economy, how it affects each and every one of us and what can be done to reduce it. I also agree that governments cannot solve the problem alone. We, the citizens of Canada, all must do our part and fulfil our responsibilities.

We must tell Canadians the facts about the seriousness of the existence of the underground economy and how they can help to eliminate it. We must address the myth that everyone is doing it. We must emphasize that tax evasion is a crime and that it is not a victimless crime, as it is often argued. All Canadians are victims. Tax evasion leads to job losses, an increase in the deficit, honest taxpayers carrying more of a burden and legitimate businesses operating in an environment of unfair competition which often leads to bankruptcy. We must stress that people who evade taxes are cheating honest taxpayers and those in need. We must publicize the fact that 14,000 calls are received by Revenue Canada each year from Canadians who know tax evaders. Many more would call if they only knew that the follow–up would take place.

• (1745)

To ensure that everyone is aware that the government is serious about prosecuting those who deliberately defraud the tax system, the Minister of National Revenue publicizes convictions for tax evasion. The increased publicity and resulting embarrassment of a fine or imprisonment coupled with the payment of taxes, interest and penalties, has had a deterrent effect.

During the past year, officials of Revenue Canada have been actively consulting with individuals and associations across Canada on the issue of tax evasion, the underground economy and smuggling. Revenue Canada has sought and received the support of these groups. With the Canadian Institute of Chartered Accountants, for example, the department established a working committee to investigate the causes of the underground economy, examine audit techniques and identify training that would assist in tracking down unreported or under–reported income, and identify opportunities for reducing the cost and administrative burden of compliance for businesses and individuals.

These groups are taking the message of the risks of dealing in the underground economy back to their membership. Every citizen and every business has a role to play in eliminating the underground economy. Individuals can start by refusing to deal with businesses and tradespeople who ask for cash payments. Businesses can do their part by turning down demands to do work off the books. Yes, all Canadians must do their part, individuals and businesses. Simply put, they must say no.

The second prong of the hon. member's motion calls for a limited amnesty on interest and penalties otherwise payable when a taxpayer voluntarily declares income previously undeclared. My colleague has stressed that the amnesty pertains only to interest and penalties, not to the taxes owing. The preferred approach is to encourage voluntary compliance. It does work, as 95 per cent of all revenues are collected without the need for enforcement action. Revenue Canada currently has a program in place for voluntary disclosure which would waive penalties if an official audit had not yet been initiated. However, interest would still be payable.

We must encourage an amnesty because it is very important to give underground economy operators the opportunity to come clean. We must be clear that underground economy is not normal business and that Canadians will not continue to tolerate dishonest business practices at their expense. Here is a chance for the business person to come out.

The third prong of my hon. colleague's motion is a tax credit for taxpayers on home improvements and renovations in order to provide an inducement to create the essential paper trail and to serve as one of the primary vehicles for the information campaign. By offering an input tax credit for the GST paid on home improvements or renovations, the taxpayer would be required to submit the original invoice as part of their income tax return. The objective would be to create a real paper trail in an area of abuse with which most people are familiar. It is a good vehicle through which we could educate the public on the crime and discourage action under the table. It would also help to support the honest businesses that are prepared to provide an invoice.

I have spoken to the people of my constituencies about the underground economy. Those who follow the law and pay their taxes do not like having to pay higher taxes because others are trying to cheat the system. Entrepreneurs who are trying to make an honest living say they do not like being at a competitive disadvantage from businesses and tradespeople who ask for cash payments to avoid paying tax. My constituents are also worried about how lost revenue is affecting the government's ability to maintain the social and economic programs so important to our well–being.

I will support my colleague's motion. I want to see that all legitimate taxes are collected so that the honest taxpayer does not have to bear the burden of both higher taxes and lessening of programs. The underground economy is not the norm and it is not acceptable to Canadians.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, as I start to make a few comments about this bill, I would first like to recognize the hon. member for Mississauga South, who proposed this motion. I would like to acknowledge the fact that it is aimed at correcting a serious problem we have in our country, which is the evasion of taxes, specifically the GST.

As the GST is such a magnet for all of the discomfort and discontent with the tax system in the country, it is not seen by the ordinary citizen as theft. It is not seen as stealing from each other by evading the GST.

• (1750)

I think the hon. member opposite has brought to the House a very important consideration. The social contract we all have is based on the premise of fairness, that we are all going to pay our fair share and that we will do so more or less willingly, provided everybody else is paying a fair share.

When we combine the fact that the GST is such a horribly unpopular tax with the fact that the average Canadian is just barely getting by and does not like to pay the tax in the first place, there is very fertile ground for tax avoidance. When people avoid paying taxes that are legitimately owed it means that somebody else is carrying their load, and that is just not right.

I want to commend the member opposite for bringing this motion before the House. Members know, but for the sake of Canadians who are watching I should point out that a motion brought to the House will not bind the government in any way to act on it. It is really just a means of trying to get the attention of cabinet and say that this is something we should do. Although it is votable, it is not binding. I am sure the hon. member would like to see it binding, but it just plain is not.

There are many things that happen in politics in the House and outside the House that are not binding, such as promises that are made during election campaigns. During the last campaign, members will recall members of the Liberal Party made a lot of hay out of the fact that they were going to get rid of the hated GST. As a matter of fact, I recall specifically being ridiculed on a campaign platform by my Liberal opponent because I said we could not possibly get rid of the GST without replacing it with another tax. The GST generates $18 billion in revenue. We just cannot say poof and it is gone. We have to deal with reality.

Here we are a couple of years later and the GST is still in place, still being corrected. That brings me to the problem we have in supporting this bill. We have to do more than just cure the symptom; we have to cure the cold.

We are in complete agreement that the GST has led to a burgeoning underground economy. Simply offering a limited amnesty is not of its own accord going to bring people back to the market. Advertising or letting people know that avoiding the GST or working underground is in fact stealing and is not something that should be condoned in our country would be a very worthwhile thing to do, with or without any of the other items in this bill. It would not hurt to use some of these Dr. Feelgood ads that are running across the country right now to say that if you are working in the underground economy you are stealing from your neighbour.

As earlier speakers have pointed out, how would you like to be in the renovation or construction business competing with and losing jobs to somebody who is constantly being paid under the table?

I had some extensive renovations done in my home a year ago. Just try to get them done and pay the GST. It is not an easy chore. There are quite a number of people in the construction and renovation business who will not do any work if it requires receipts. This is not to mention all the service industries that work under the table. We all know it exists.

The problem is that it is like a speed limit on a highway. You are tooling down a highway at 110 kilometres an hour and for no apparent reason the speed limit is 80 kilometres an hour and there is a radar trap there. Well, citizens will go wherever it makes sense. The reaction to the GST was a visceral reaction to the taxation levels in the country. That more than anything else is the reason people are not paying the GST. It is not seen by the ordinary Canadian to be a crime.

• (1755)

Rather than tinkering with this, rather than treating the symptom and not curing the cold, I would ask the hon. member opposite to give thought to joining with other colleagues in the House in a bipartisan approach to see if we cannot do something about the underlying problem in the tax system, which is a disincentive for reinvestment. My hon. colleague for Mississauga South well knows—far better than I because of his experience as a chartered accountant—what a disincentive it is for people in our country to reinvest profits. That is a much bigger problem than the GST problem.

My specific objection to this bill is not the thrust of the bill, which I think is honourable and in the right direction in saying that people have to get out of the underground economy. My objection is not to the limited amnesty, which would give people the opportunity to get out if they have become involved in the underground economy. While we would offer them a carrot, we should also offer a fairly substantial stick.

I do have a problem with the notion of offering a tax credit to people for renovations. We might be able to square that circle and address that problem if for instance we were to allow people to use an RRSP to do a renovation, just as they can for buying new homes, depending on the equity level in the home, but only if they bring in a qualified receipt showing the GST. That would then ensure the public purse does not get hit twice, once for the RRSP and again for the tax credit. What about the people who might do it themselves, or whatever?

I do not think we should be giving tax credits to induce people to obey the law. People should obey the law because it is the right thing to do. The advertising should be there, amnesty as the carrot, and a substantial stick for breaking the law. This is not to induce people to do the right thing because we are going to pay them to do it. They are going to do the right thing because it is the right thing to do and because the underground economy is no longer seen in the community as tolerable.

I would reiterate that the Liberal government promised to get rid of the hated GST. When I go out to buy my next article at the store I am pretty sure I am going to be paying the hated GST, which is two years after the fact. I would be very surprised if in the life of this Parliament the GST is gone.

Mr. McCormick: You will be surprised.

Mr. McClelland: I would be very surprised and delighted. Members opposite say that I will be surprised. I take that as a reaffirmation of the promise made during the election to get rid of the GST. We heard it here first. Once again the Liberals opposite are affirming their promise to get rid of the GST.

We should hope that perhaps the way they will do it is to get behind the notion of a flat tax and work with us and other parties, with members opposite like the member for Broadview—Greenwood, who has been working at developing a notion of the single tax for years. Finally it seems like this might be the opportunity. Let us put all of our energies together to cure the cold and not the symptom.

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, it is with great pleasure that I address the House today on Motion No. 382 introduced by the member for Mississauga South. My hon. colleague has done a great deal of study on the underground economy and I acknowledge all the work he has put into this.

I have given this matter considerable thought because many of my constituents have been directly affected by the underground economy. They are people who operate legitimate businesses. They have told me how their businesses are being hurt by the so–called under the table entrepreneurs. They want the government to do something about the problem before it is too late. These so–called under the table entrepreneurs are not the entrepreneurs I grew up with and started businesses with.

The greater the activity in the underground economy the less revenue there is available to governments. Underground economic activity creates unfair competition for honest businesses. Jobs are lost and honest taxpayers are forced to pay more than their fair share of taxes. For many individuals and businesses the underground economy has become a convenient way to avoid paying taxes, to not pay their fair share.

• (1800)

When these people take their financial transactions underground they are failing to meet their contribution in support of Canada's social and economic programs. These people do not pay for the services they use. Instead other Canadians are forced to pay more.

I ask all members, as well as all other Canadians, to consider the real cost of underground economic activity. The cost is large. I believe it is phenomenally large. It shows up in reduced essential services, taxes being higher than they should be, unfair competition and a reduced standard of living for the honest taxpayer. If every Canadian paid their fair share everyone would pay less. We have heard this before and we have to think about it to realize how we can all gain in this situation.

How does the underground economy affect the competitiveness of legitimate businesses? Many groups have talked to us. A major group is the Canadian Home Builders' Association. It is very concerned. Home renovators who evade taxes have an unfair advantage over honest contractors. Many small, legitimate businesses in my riding of Hastings—Frontenac—Lennox and Addington are being threatened by others operating underground.

Right from the start honest businesses are at a competitive disadvantage because they cannot offer a customer the same deal as offered by someone who will do the work but not collect the taxes. The end result is that the legitimate businesses face unfair competition and many jobs are lost.

My hon. colleague for Mississauga South has put forward new specific approaches in the motion to address the underground economy. He is offering a limited amnesty on interest and penalties when a taxpayer voluntarily comes forward in an effort to crack down by engaging more investigators on a contract or commission basis. People will hear that this message is for real and people will come forward.

This phase will continue as long as there is a favourable payback. We have to let the public know that when they patronize the supplier with a cash price without an invoice they are actually condoning fraud, and that by refusing to do business with those who do not give invoices they also help the business of honest taxpayers.

Turning to an input tax credit, this offer for GST to be paid on home renovations would be required in a very simple process. The taxpayer would submit the original invoice either as part of his or her tax return or by separate filing. The objective is to create a real paper trail. We all know about this area of abuse and it is time we recognized it.

A tax credit would be a good vehicle through which to educate the public on the crime and to discourage under the table action. A taxpayer would help to support honest businesses that are prepared to provide invoices.

Revenue Canada's voluntary disclosure policy allows individuals, partnerships, corporations, trusts and non–profit, charitable or other organizations to come forward to correct any deficiencies in any reporting to the department. The policy operates on a simple premise: When a disclosure is made voluntarily before the department has started an audit or other enforcement action, no penalties or other sanctions such as a prosecution for tax evasion will be imposed.

The taxpayer will only have to pay the amount, either taxes or duties owing, plus interest. This is fair since the interest reflects the true value of the money and the fact that those who have not paid their taxes on time have had the use of these funds.

Revenue Canada under its voluntary disclosure policy generally takes a responsible approach to collections. Arrangements can be worked out so that taxes owing to government are paid in a manner which does not cause undue hardship for the taxpayer.

Persons can make a voluntary disclosure by contacting any Revenue Canada office directly or by having their accountants or lawyers do it for them. A disclosure will be considered voluntary as long as it is made before Revenue Canada has started an audit or other enforcement action.

• (1805)

In my experience we get what we pay for. When we go underground to provide services or when customers accept underground services, we can expect lower quality work and lower quality materials because those businesses do not have to comply and will not comply with industry regulations.

As well and most important, consumers do not get the protection and the guarantees they would otherwise have if they had an authorized purchase order and/or an invoice. When the customer goes underground as well he or she has no recourse and no protection.

A little over a year ago an elderly woman in a village near my home was visited one day by three gentlemen in a pickup truck. They knocked on her door and said they knew that the winter had been severe. They wanted to check out her home in case they could do any little touch–up jobs for her and save her a lot of money. They spent half an hour wandering around her home in a village originally called Rogues Hollow, no pun intended.

They knocked on the door after they inspected the home and said: "The winter was very severe. There are a lot of problems with your back wall. Bricks are coming loose. Your chimney is ready to fall down. We have an estimate here for you; it is $6,200. If you pay us in cash, I have these professional men available who will do the work now. We can do the job for you today for $3,100". It is a true story. They did $300, $400, $500 or $600 worth of work that morning and she paid them the $3,100.

She was sick the next day. She phoned me at home. What can I do? It was in cash. Do we have to get hurt time after time, especially seniors, to see that these are not business people but crooks?

Hon. members opposite spoke about the most hated tax in Canadian history and how it has added greatly to the underground economy. I agree that when the GST arrived on the scene the underground economy exploded. Small businesses such as the retail business my wife Rita and I operated face the burden of more paper jungles. Our ministers have told us that when they change the GST there will be less involvement, less paper and less work for small businesses. I eagerly await that and will gladly remind my ministers.

My colleagues opposite have spoken of the GST. Small businesses are finally being recognized by the government. The Liberal government recognizes that jobs will come from small businesses. Recently the Minister of Industry announced micro–loans of less than $5,000 for small businesses. They will make a great difference. We can encourage businesses to come out of the closet and become legal or legitimate businesses.

The motion before the House suggests the government educate the public and encourage its participation in addressing the problem. I agree that Canadians need to know the facts about the seriousness of the underground economy and what can be done to reduce it. I applaud the member for Mississauga South for his efforts to stimulate decision on the issue. I urge members of the House to carry the message back to their constituents and I will to mine. I urge members to talk with their constituents about the underground economy, its seriousness and how it can be reduced.

I also agree that governments cannot solve the problem alone. We must all do our part and fulfil our responsibilities. I urge all members to support Motion No. 382.

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, I commend the member for Mississauga South for bringing an important issue before the House which demands the attention of members on both sides. The seriousness of the underground economy cannot be understated.

I am sure other members have talked to constituents about how difficult it can be to compete with those who deal in the underground economy and who insist on being paid cash. The greater the activity in the underground economy, the less revenue there is for government.

Underground economy activities create unfair competition for honest businesses. Jobs are lost and honest taxpayers are forced to pay more than their fair share. The government is committed to ensuring fairness in the tax system and has a strategy in place for ensuring compliance with the law. In November 1993 the Minister of National Revenue announced a series of measures to address non–compliance underground economic activity and tax evasion. The department has strengthened its ties with the private sector and the provinces.

• (1810)

During the past year Revenue Canada has consulted with more than 240 groups, which has helped the department to define its strategies, identify areas of non–compliance and explore measures for improving compliance.

Co–operation arrangements are in place with all the provinces. This has led to joint audits with the provinces, the sharing of audit strategies, training material and expertise. The department has strengthened its ability to identify non–filers and non–registrants and has increased and targeted its audits to focus on areas of high non–compliance.

The construction and home renovation sectors are being paid special attention. Revenue Canada officials in their consultations with industry and trade representatives have been told how revenues and jobs are being lost. Consumers lose out. They forfeit any guarantees of a quality product backed by a reputable firm. Workers seeking steady, secure employment are also cheated.

The government has taken steps to respond to the needs of an industry battling under the table entrepreneurs. The reason is straightforward. No business that plays by the rules should have to face unfair competition from those that do not. The honest taxpayer should not be disadvantaged by those who are cheating.

Revenue Canada has put special audit teams in place to look into transactions. The department examines the classified ads and visits construction sites in search of information that will help identify non–filers and non–registrants. With information from the financial records of lumber yards and building supply companies Revenue Canada can verify that the people who purchase construction materials are paying the tax they should on the work they perform.

There is also follow–up on leads from private citizens which often include individuals who are unhappy with the work they paid for and who could not get their cash contractor to respond to their complaint.

Revenue Canada has been working with the Ontario Association of Lumber and Building Supply Dealers. The association has agreed to display in its member stores a flyer which emphasizes the pitfalls for consumers when dealing under the table.

The department is involved in ongoing consultations with the Canadian Home Builders Association. Specifically Revenue Canada and the CHBA have established a working group to co–ordinate efforts to address the underground economy in the home renovation business. The working group considers how the CHBA and its local associations can assist Revenue Canada to identify those businesses involved in under the table activity. The CHBA and Revenue Canada can work together to ensure Canadians are aware of the risks associated with dealing in the underground economy. Consultations between the department and CHBA are taking place at the local and national levels.

The February budget measure for a reporting system for payments to subcontractors in the construction industry is a direct result of consultations with representatives of the construction industry. The measure and others in the budget reinforce the government's commitment to a fair tax system and a level playing field for businesses.

Revenue Canada is now discussing with representatives of the industry and trade associations as well as professional accounting and legal associations how the reporting system should operate and what other measures might be taken. The government wants to improve compliance in a way that does not increase the burden and cost of compliance for business.

The motion of the member for Mississauga South contains a proposal for a tax credit for home improvements and renovations as a way to create a paper trail. I support the intent of this proposal. It is something the government might wish to look at but it must be recognized that there would be a cost associated with its implementation.

Revenue Canada already reviews records of GST rebates paid out for substantial renovations along with provincial sales tax credits to ensure that proper deductions and claims have been made by taxpayers. This paper trail is very helpful.

• (1815)

I thank the member for putting forward the motion allowing us to debate an issue of key concern to Canadians.

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I am delighted to have the opportunity to make a few comments on Motion No. 382 as sponsored by the member for Mississauga South. I congratulate my hon. colleague on this initiative first and foremost.

The issue that is the focus of this motion is of major importance to all Canadians right across the country. For many individuals and businesses the underground economy has become a convenient way to avoid paying taxes, not paying their fair share.

People who deal in the underground economy may feel their financial situation justifies their actions. It may be because it has been several years since their last pay raise. It may be because they feel the tax system is much too complex or unfair. It also may be basic greed. They see it as cheating the tax department, a victimless crime.

When these people take their financial transactions underground they are failing to make their contributions in support of Canada's social and economic programs. These people do not pay for the services they use. Instead, other Canadians are forced to pay more.

Each time someone participates in the underground economy, money to help pay for programs such as health care and education is lost. It is revenue that may never be recovered.

Whatever the reason, underground economic activity makes victims of all of us. The cost shows up in reduced essential services, higher taxes than would otherwise be the case, unfair competition and a reduced standard of living for the honest taxpayers. This is simply unfair and shortsighted.

The motion before the House suggests the government educate the public and encourage their participation in addressing the problem. I agree Canadians need to know the facts about the seriousness of the underground economy and what can be done to reduce it. I also agree governments cannot solve the problem alone. We must all do our part to fulfil these responsibilities.

The government has recognized that solutions to this problem and others now facing Canadians cannot be found in isolation. We must understand the problem and its consequences. It is for this very reason that in November 1993 the Minister of National Revenue made education a fundamental element of his action plan to address the underground economy.

Officials of Revenue Canada have been actively consulting with individuals and associations right across Canada. These groups are taking the message of the risk of dealing in the underground economy back to their membership. Every citizen and every business has a role to play in eliminating the underground economy.

Individuals can start by refusing to deal with business and trades people who ask for cash payments. Businesses can do their part by turning down demands to work off the books.

To ensure everyone is aware the government is serious about prosecuting those who deliberately defraud the tax system, the Minister of National Revenue is publicizing convictions for tax evasion. The increased publicity has been a deterrent and has had an effect.

The number of voluntary disclosures received by the department where people come forward to voluntarily correct their tax affairs has doubled in the past year. In addition, the number of referrals received from people each year providing the department with leads on potential tax fraud has risen by some 19,000.

• (1820)

As members of the House are aware, Canada's tax system is based on taxpayers voluntarily filing and paying their taxes. A voluntary self–assessing system is the most effective way for a government to collect taxes owing.

A cornerstone of a sound tax system is the reality and perception that everyone pays his or her fair share. It does not ask for any more or any less, just everyone's fair share. The underground economy undermines the fairness of the tax system.

Regardless of its size there is no disputing the underground economy exists and that it exacts a toll on Canadian society from unfair competition for honest business to taxes higher than they would otherwise be for honest taxpayers, to business closures, to unemployment and to lost revenues which government uses to support Canada's social and economic agenda. It is a problem we cannot afford to ignore.

I am confident, however, that we are making progress in dealing with the underground economy and other forms of tax evasion. I applaud the hon. member for Mississauga South for his efforts to stimulate discussion on this issue. I certainly solicit the support of all members of the House to support the motion.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I too compliment my colleague from Mississauga South for bringing forward this initiative on an issue which is important to all Canadians.

One principle Canadians want in their tax system above all is fairness. Everybody should pay their fair share.

The underground economy has increased the burden on those law–abiding taxpayers who voluntarily report their income honestly every year. The underground economy has a certain segment of our society saying it will carry on business and benefit from the economy of the country but it will not contribute to it.

It hits us in a number of ways. People who do not report income from jobs they have performed obviously avoid paying income tax on that revenue. They avoid paying the GST and provincial sales tax on the work they have performed. All governments lose when that happens and all Canadians lose.

We have only to sit in the House every day to hear the tremendous financial pressures on the government and on all Canadians. We know we are in a period of finding any way we can to save on expenditures. It is leading to some very difficult decisions which will not necessarily help the economy or our standard of living. However, we know they are necessary because for a number of years now there has been a serious imbalance between what we have to spend and how much we are taking in.

This motion goes to the heart of how much we are taking in. While there may be disagreements about the extent of the underground economy and the amount of money being lost by unreported income, nobody can deny it is substantial and that it has grown dramatically in recent years.

What is it costing us when people are not paying their fair share? We have all heard from constituents who are worried about the future of our health care system. We hear about waiting lists at hospitals. We hear about pressures to close hospitals. Certainly that is very much an issue in Ontario today and in the national capital region.

• (1825)

We hear about reducing the benefits to people who are unemployed and need the assistance of the unemployment insurance system. We hear about a reduction in the money available to those in need to survive through difficult times. We hear about less services being available to support children in our community. We hear about less resources being available to fulfil a major role that Canada has always played in the world in terms of international development. It goes on and on.

This motion gives a committee of Parliament the opportunity to examine how we can bring this under control. There are people who are making money in the economy and cheating their fellow Canadians by not paying taxes on that income. How can we get those people back into the mainstream of society, contributing what they should be contributing so that others do not have to pay more than their fair share? This would make it possible to carry on doing for Canadians those things that are important to the building of a prosperous and sane society.

We all know people who have had work done around their homes. I recently had some work done and as a member of Parliament I insisted on an invoice and that the GST was documented. However I can understand someone who has had their income frozen for the last five years, or perhaps had their income drop because they have moved to another job which pays less, or perhaps is unemployed and has to get some necessary work done, would look for the best possible bargain to get the cheapest possible price, even if they suspect that the person doing the work is not paying the taxes and, therefore, is not paying their fair share of being a member of Canadian society. This motion offers an opportunity.

I want to pay tribute to a constituent of mine who brought a suggestion to my attention a couple of years ago which I have been promoting with the Ministers of Finance and National Revenue. The idea is to give homeowners an incentive to ensure that anybody doing work around their home is part of the economy, is contributing, is paying the taxes on that work. It could come from a number of ways.

This motion gives an opportunity to a committee of Parliament to look at a variety of means by which we can start to ensure that the vast majority of Canadians who are honest—and our tax system is really based on honour—and abide by that system are not penalized to the benefit of the very few who choose not to pay their fair share.

[*Translation*]

The Deputy Speaker: The hour provided for the consideration of Private Members' Business has now expired. Pursuant to the Standing Orders, the order is dropped to the bottom of the order of precedence on the Order Paper.

It being 6.30 p.m., the House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24.

(The House adjourned at 6.30 p.m.)

HOUSE OF COMMONS

Thursday, September 28, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*Translation*]

INTER-PARLIAMENTARY DELEGATIONS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, pursuant to Standing Order 34, I have the honour to table in both official languages the report of the Canadian section of the International Assembly of French-Speaking Parliamentarians as well as the financial report concerning the meeting of the Co-operation and Development Commission of the IAFSP, held in Beirut, Lebanon, on April 4 and 5, 1995.

* * *

[*English*]

FIREARMS LAW SUNSET ACT

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): moved for leave to introduce Bill C-351, an act to provide for the expiry of gun control legislation that is not proven effective within five years of coming into force.

He said: Mr. Speaker, it gives me great pleasure to introduce my firearms law sunset act today. My bill is seconded by the hon. member for Beaver River and co-sponsored by a number of members of Parliament. I thank my colleagues for their support.

If the bill is passed by Parliament it would provide a five-year sunset provision on all gun control legislation unless the auditor general has reported that the gun control law has been a successful and cost effective measure which has increased public safety and reduced violent crime involving the use of firearms.

The auditor general's report would have to be considered by a 12-member committee comprised of six MPs and six experts on firearms law. The committee report would also have to be presented to and concurred in by the House of Commons or a sunset provision would take effect immediately.

To argue against this type of sunset provision people would have to argue that they support gun control even if it does not work and no matter how much the gun control costs.

No one is arguing that gun control is unnecessary, only that the police time and resources should be spent on measures that get the best bang for the buck. That is exactly what the bill does.

(Motions deemed adopted, bill read the first time and printed.)

* * *

PETITIONS

RIGHTS OF THE UNBORN

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I have three petitions to present this morning.

The first petition contains 495 signatures from the North York area in the federal riding of York Centre. It deals with the protection of human beings, in particular, the protection of the unborn child. It prays that Parliament immediately extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

It is my understanding that these signatures were collected within a matter of a few hours in one day.

EUTHANASIA

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, my second petition concerns the subject of euthanasia. Quite a number of people from all across Canada have signed the petition. It prays that Parliament ensure present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

WITNESS PROTECTION PROGRAM

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, the third petition is signed by a number of people from across Canada, primarily from southern British Columbia and the Surrey, B.C. area. It deals with the subject of witness protection, in particular, my Bill C–206.

The petitioners call on Parliament to pass Bill C–206 to give statutory foundation for a national witness relocation and protection program.

I am pleased to note for these petitioners that the government has brought in just such a bill which hopefully will be debated very shortly in the House.

THE ENVIRONMENT

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure and the honour to introduce a petition signed by Canadians from New Brunswick, British Columbia, Ontario and elsewhere.

The petitioners call on Parliament to institute complete recycling, waste reduction, energy and resource conservation and clean–up and air pollution programs.

• (1010)

PARLIAMENT HILL

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I have another petition signed by Canadians from Quebec, Ontario and elsewhere. These petitioners call on Parliament to allow people to use the grounds of Parliament Hill for the purpose of public interest.

This petition is signed by people from all over the place. I really do not understand the motives behind it but nevertheless I would like to table it.

INCOME TAX

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating all across Canada. This petition has been signed by a number of Canadians from the Vancouver, Surrey and Delta areas of British Columbia.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

BOVINE SOMATOTROPIN

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I rise today to present two petitions. The first is from 35 concerned citizens from my riding of Yorkton—Melville who are opposed to the approval of synthetic bovine growth hormone, known as BGH or BST. The drug is injected into cows to increase milk production.

The petitioners are concerned not only about health risks to the dairy cows, but also the serious risks to humans, including breast and colon cancer. They urge Parliament to keep BGH out of Canada until the year 2000 by legislating a moratorium on sales and use and until the outstanding health and economic questions are reviewed through an independent and transparent review.

GOVERNMENT SPENDING

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the second petition is signed by my constituents who are concerned about high government spending. Given that Canadians are already overburdened with taxation, these petitioners urge Parliament to reduce government spending and implement a taxpayer protection act to limit federal spending.

HUMAN RIGHTS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, on behalf of the hon. member for Hull—Aylmer, I am pleased to table a number of petitions. The first petition asks that Parliament not enact legislation which indicates societal approval of same sex relationships.

EUTHANASIA

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, a second petition asks Parliament to make no changes in the law which would sanction the aiding and abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, the third petition asks for the same protection for unborn human beings as those who are born.

I am pleased to table these petitions on behalf of the hon. member for Hull—Aylmer.

CRIMINAL CODE

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the privilege to present to the House today a petition on behalf of 459 constituents in my riding.

Child Safe of Pictou county believes that all sex offenders who are being released from incarceration should have to inform the media that they are being released. This will allow the media to inform the communities of Nova Scotia of the names and addresses of the offenders being released.

Child Safe feels that this is of vital importance to protect the safety and well–being of our children.

COMMUNICATIONS

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, this petition from almost 1,000 Canadians asks the CRTC to regulate all forms of violence and abuse on television.

The citizens believe that one needs not to be shocked to be educated, to be informed, to be entertained. These petitioners applaud the CRTC hearings on this subject, violence on television, which are being held right now and to which I might add I had the honour of presenting a brief last Monday in Winnipeg, Manitoba.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1015)

[*Translation*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

The House resumed from September 27 consideration of the motion that Bill C–45, an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act, be read the third time and passed.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I welcome this opportunity today to speak to Bill C–45 and related initiatives. It has been said many times in this House that our penal justice system lacks the means required to control high–risk offenders, including sex offenders.

The public has become increasingly fearful and intolerant of crimes committed by these offenders, especially when the victims are children. This is a very legitimate concern which Bill C–45 should help to alleviate by providing better protection for the most vulnerable members of our society. In many cases, sexual offences not only harm a person physically but also cause

psychological damage that unfortunately may leave lasting scars.

If we want to improve public safety, we must act quickly and use the most effective means at our disposal. That is why we have opted for a comprehensive approach consisting of legislation and other measures that will help us deal with the problem on all fronts. As you know, Bill C–45 contains major amendments to the Corrections and Conditional Release Act that will increase public safety.

The principal changes include amending the provisions on the detention of sex offenders who attack children. To provide better protection for our young people, Bill C–45 gives the word "child" the broadest possible legal sense, in other words, any individual under 18 years of age. Thanks to the proposed amendments, it will no longer be necessary to prove that serious harm was or will be caused to the child by a sexual offence.

This change was necessary because in many cases, the impact of sexual abuse is not easy to detect in a child. The problem is further compounded by the fact that child abusers often tell their victims that the sex acts they are forced to commit are acceptable and not to be discussed with others. Research has also shown that the harm suffered by a child who is a victim of sexual abuse may not become apparent until years later.

For all these reasons, it is difficult and almost impossible to find out whether there was serious harm. Bill C–45 will fill this gap by giving the National Parole Board the authority to keep in custody any offender it deems likely to commit a sexual offence involving a child before the expiration of his sentence.

I would like to point out that we have before us a piece of legislation that is intelligent and sound and based on the latest scientific research. It was well received by many of the witnesses who appeared before the Standing Committee on Justice and Legal Affairs during its study of the bill. I may refer more specifically to the clinicians representing the Canadian Psychological Association. They found the bill perfectly reasonable in clinical terms, because, as they said, people sexually drawn to children, known clinically as pedophiles, have a much higher risk of recividism than those suffering from some other form of deviant sexual behaviour.

At times, treatment appears to have no effect on pedophiles. Accordingly, since the bill concerns offenders representing the greatest threat to the security and welfare of children, we believe it should go a long way to calming Canadians' concerns.

Before I talk about other legislative changes, I would like to return to the comments by the solicitor general on the point amending the provisions on detention. The fact that the change applies only to young victims does not mean that sexual offences against adults are of less concern to us.

• (1020)

All sexual crimes are serious, and the vulnerability of the victim, whoever that may be, is a vital consideration in each decision on parole or detention.

We must give ourselves the means to accurately assess the risk involved in a sexual offence, whoever the victim may be. In recent years, some people have wondered whether we can really assess the damage victims suffer when there has been no bodily harm. This is particularly important in the case of victims of sexual crimes.

As many of you know, the definition of serious harm in the present legislation covers both physical injury and psychological damage. As psychological damage is not apparent most times, it is often difficult to detect. In an effort to overcome this difficulty, the Department of the Solicitor General formulated guidelines on this last fall.

Accordingly, the people responsible for identifying cases of potential detention and commissioners responsible for deciding on them are better equipped to assess the psychological wrong a victim has suffered. They can therefore better recognize offenders who are more likely to cause serious harm in the future.

The department developed these guidelines according to the most recent research available on the psychological effects of crime for victims and on clinical diagnostic criteria. This major undertaking results from the department's commitment to clarify the concept of serious harm and to better protect the public against high risk offenders. Whether they are violent criminals or sexual offenders.

The bill contains other changes along these lines, as I mentioned earlier. Some of them have to do with Schedules I and II of the act, which list the offences for which an offender can be referred for detention.

These lists will now include several violent crimes against persons and serious drug offences such as conspiring to commit serious drug offences, impaired driving, criminal negligence causing death or bodily harm, criminal harassment, and breaking and entering when the planned offence is listed in Schedule I.

The addition of this last crime means that an offender who breaks and enters a home with intent to commit a serious offence such as a sexual assault will no longer be eligible for the speedy review procedure and will automatically be subject to review for detention.

In addition, a number of sexual offences that have been repealed will be included in Schedule I so that any offender serving a sentence for one of these offences will be covered. The purpose of these amendments is to correct any shortcoming in the detention provisions that may compromise public safety.

Another important set of amendments provide for the house arrest of some high risk offenders who do not meet detention criteria. These amendments had been demanded by the members of Standing Committee on Justice and Legal Affairs, the former Standing Committee on Justice and Solicitor General, the Ontario commission responsible for investigating the Stephenson case, and the Canadian Police Association.

In response to their recommendations, the government recently made legislative amendments to Bill C–45, which were approved by the Committee on Justice and Legal Affairs last March.

These amendments will enable the National Parole Board to require that offenders who must be released because they do not meet detention criteria but who need additional community support live in a community based residential facility.

This will allow the board to better monitor and manage these offenders and the risk they present, in order to strengthen the released offenders monitoring system and facilitate their reintegration into society.

• (1025)

While the legislative or policy changes I mentioned represent a sound reform, we must bear in mind that these changes alone cannot ensure greater public protection. We must not settle for longer prison terms for offenders. Most sexual offenders are sentenced to a definite term of imprisonment and, sooner or later, they are back in the community.

To properly deal with the problem of sexual offenders, sustainable solutions must be developed. In this regard, many of the witnesses who testified at the justice committee hearings on Bill C–45 were of the opinion that the best way to protect society against sexual offenders in the long term was through formal phased release programs combined with treatment and support.

This has prompted the government to undertake a number of initiatives with regard to programs, including enhancing treatment programs for this category of offenders.

[*English*]

I will briefly comment on what we know to date about treating sex offenders. Research evidence shows sex offenders are not all the same. Their offences are influenced by a host of motivating and situational factors which vary from one individual to the next. Consequently, there is no single cause for sexual abuse and no single approach to treatment. However, there is general agreement among clinical practitioners that for many offenders the risk of reoffending can be reduced through continuity of treatment programs and relapse prevention.

In keeping with this view, a key component of our public safety strategy focuses on the expansion and enhancement of treatment programs for sex offenders. Research and pilot

projects in support of rehabilitation and safe reintegration of sex offenders are an integral part of this endeavour.

To ensure the federal correctional system uses the most effective management and treatment methods for sex offenders, Correctional Service Canada created a national committee earlier this year. This committee has developed standards to deal with the important issue regarding the assessment and treatment of sex offenders. The committee is undertaking consultations with provincial mental health and correctional agencies with a view to developing a national consensus on these and other issues of mutual concern.

To facilitate this effort I had the pleasure of opening the first conference on the national sex offender strategy in Toronto last March. This conference brought together sex offender experts from across Canada as well as from other countries to share their knowledge, refine our assessment and treatment methods, and find innovative ways of restoring public confidence in corrections and criminal justice. This is an important milestone, and I am confident good progress in this area will continue.

[*Translation*]

We are also active on the local front to help community organizations protect children against sexual abuse. Over the years, the RCMP has played a major role in this respect with its Canadian Police Information Center, or CPIC, a data base made available to police across Canada. This center provides computerized information on the criminal records of individuals who have been fingerprinted. Thus, local police can now check, on behalf of community organizations, the background of those who want to do volunteer work or work for pay involving children. It is one of many ways of helping to prevent direct contact between child molesters or sexual offenders and children in our communities.

Last November, the government announced that the CPIC had been upgraded so that checks run through this national data base can be even more efficient.

As a result, the CPIC now provides information on restraining orders issued in cases of family violence, orders prohibiting holding positions of trust around children and peace bond orders issued to child sex offenders. It also provides more detailed information on the criminal background of offenders, including a list of all sexual offences, whether summary or indictable, committed against children.

• (1030)

These improvements will provide a better profile of those people who could be a threat to the safety and well–being of our children. However, are these improvements sufficient? Some victim advocates have said that better information will be of little use if community organizations do not know it exists, or if they do not systematically check the track record of applicants with the local police force.

In response to that legitimate concern, the solicitor general, justice and health departments are working to set up a national awareness program, in co–operation with the Canadian Association of Volunteer Bureaux and Centres. Starting this fall, and for the next few years, public information and education documents will be prepared, and training sessions will be provided to police officers as well as to volunteer and sports organizations in more than 200 communities across the country, in an effort to ensure better screening of volunteers and staff.

As for high risk offenders who remain a danger to society at the end of their prison term, we are pursuing our efforts to find an adequate solution to the problem. We work in close co–operation with our provincial and territorial counterparts, and quick progress is being made. Every province and territory has agreed to make the best possible use of the Criminal Code provisions which relate to dangerous offenders.

These provisions authorize judges to impose an indeterminate jail term to offenders who, in their opinion, remain a danger to society.

[*English*]

The solicitor general also announced last March a national flagging system to identify at an early date those offenders who may later be considered for a dangerous offender application. Should any offender who is flagged be prosecuted in the future, all relevant background information held by other jurisdictions will be available to assist prosecutors in deciding whether to bring in an applicant.

The solicitor general and the justice minister in conjunction with their federal, provincial and territorial counterparts have agreed to an examination of legislative changes with regard to creating a new category of long term offender. This could lead to special preventive measures for a broader range of violent offenders, especially sexual predators such as pedophiles, including up to 10 years of supervision following the usual penitentiary sentence.

The ministers have agreed that other criminal justice options will be explored for offenders who are at the end of their sentences and who are still believed to be too dangerous to be released into the community. In this regard the solicitor general and the justice minister convened a meeting of leading constitutional lawyers and other experts this past spring to review the limits and possibilities related to the detention of offenders beyond the end of their sentence. This will allow for a full examination of possible strategies under the criminal law which might be viable to achieve greater public safety.

[*Translation*]

All these measures seek to increase protection of the public against high risk offenders and to restore the confidence of Canadians in our criminal justice system. They are based on a progressive policy dealing with practical issues related to therapeutic programs for offenders, and with the development of the most effective program strategies to treat sexual and other high risk offenders.

Our criminal justice system must be balanced, so that we can truly make our country a place where Canadians and their children can live without fear of being victims of violence or sexual abuse.

I believe that Bill C–45, along with related initiatives and the work that will continue to be done in the months to come, clearly shows that the government intends to do its utmost to make our communities safer. I am sure that members from both sides of this House will help us achieve that goal through this bill.

• (1035)

[*English*]

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I would dearly love to stand here today and say I will support Bill C–45 but if I did I know exactly what would happen. If our party did that I know exactly what would happen. People across the way would turn around and say: "If the Reform Party supports it, I guess we have gone far enough. We have done our job".

Therefore we will not support this. We will continue to hound government members over issues of criminal justice to let them know they have not gone far enough and that the public right to protection is much greater than the rights of criminals. We will continue to pound that message home. The member for Wild Rose, the member for Crowfoot, the member for Calgary Northeast, the member for Yorkton—Melville will be on the government like a pack of hounds until we get some real tough justice in this country.

One of the concerns I have about Bill C–45 is that it is extremely narrow. It does not go nearly far enough in addressing the concerns of other people. We had a big to do in the House not very long ago when an hon. member was accused of mimicking another hon. member. There were screams and yells of sexism in the House. People were running around saying: "You people are bad. You are sexist". That was a bunch of baloney.

The real measure of how prepared people are to stand up for women is in their actions, not in their words. We are not seeing the action in this legislation that really defends women to the degree they should be defended. Why in this legislation do we not have measures to hand down the same types of penalties that are being proposed here and even tougher penalties when women are sexually assaulted?

Why can women not enjoy the same protection in the law? To me that makes sense and that is why we cannot support this legislation. I know if we supported this people over there would say: "Good, we have them on side. We do not have to do any more". My goodness, all it takes is a stroke of the pen. All they have to do is spend a couple of more minutes writing that type of amendment. Then we would have protection for women as well. Why not go the full way? Why not do it all?

Another concern I have with this legislation is that it does not address the huge problem of young offenders who are sexual predators. I will read a letter in a moment from a constituent of mine who talks about this problem. Before I do I remind hon. members across the way about an incident that happened not too many years ago on the west coast.

A sexual predator, a young offender, and his family moved into a new community. Because he was a young offender no one knew about his past. Not even the police knew about his past. The people next door definitely did not know about his past when they invited him to come over and babysit. I think everyone can imagine what happened. That young man subsequently raped and murdered the little girl next door and nobody was the wiser to his past because the Young Offenders Act protected him. That is insane and ridiculous. There is no reason in the world why this government cannot address those types of problems.

Yesterday in the House our leader asked the justice minister what he will do to ensure that when there was a conflict between the rights of criminals and the rights of victims the scales of justice were tilted to the side of the victims. He gave us a lot of rhetoric.

We would like to see some action. It is too late for that little girl in British Columbia but it does not have to be too late for the rest of the country. All it requires is a stroke of the pen, a little initiative. Why is the government holding back? What is the possible motive for not addressing this issue?

• (1040)

To me it can only be a misguided sense of responsibility or charity to the criminals. Yes, these people sometimes come from bad backgrounds and bad environments. I feel bad about that. I am sorry they turn out to be criminals in many cases and sexual predators in some cases.

At the end of the day, as sorry as I am for that, the responsibility of government, the justice system and the House is to ensure that the rights of the public are raised above the rights of the criminals. There is no excuse for not dealing with that in this legislation. It should be in there.

We have to keep plugging away until we get some changes not only to bills like Bill C–45 but also to the Young Offenders Act. It has to happen.

I will read a letter from a constituent of mine whom I talked to on the phone a few days ago:

I am writing to you because of something that happened to my family this past summer. In late July of this year I had my nephew come and stay with us. He is 13 years old and I had no reason to believe my worst nightmares would come true. During the four days of his stay he sexually abused my oldest sons, ages four and five. My two year old son does not talk yet, so if there was any abuse perpetrated against him I will never know.

I reported the crime to the local RCMP and to social services in the community where he comes from. It was during a talk with another family member that I was informed of the sexual abuse committed against her children, one girl and one boy, by my nephew some seven months prior.

It has been a long summer for my family, not only in dealing with the devastation of having our young children become victims of a sexual crime at such a young age, not that any age is acceptable, but in waiting for justice to be served. By justice I specifically mean waiting for the police and the courts to hold the 13-year old criminal accountable.

This past Monday, September 19, I found out that according to the Criminal Code, Michael, my nephew, is immune from prosecution, not because he did not commit a crime but because he is 13. The first sexual crime was not reported to police. The family of the children and the family of the abuser and social services decided it was an act of an immature boy experimenting with his developing sexuality. It was because of this cover-up that I was unable to protect my children. Therefore my children became the young, innocent victims of his second attack that we are aware of.

I am disgusted and helplessly frustrated with the whole situation. The RCMP officer was quick to assure me that they would get him the next time. Am I supposed to feel proud to be part of a society that surrounds young criminals in a blanket of protection while ignoring the pleas of the whole families that are victimized? By not holding these young criminals accountable based on their age, are we not inviting them to victimize again and again, stealing innocence, forever changing lives?

There is so much more I want to say but more importantly now I know I must take action. I believe if I do not take some action to see the laws changed to protect the young potential victims, then I have not done my job as a parent. If the police and courts cannot help my children get justice, then I must go above them.

Monte, I cry at night because of what this 13-year old did to my children and it torments me to know he will never be punished for this crime. It is just unacceptable at any age to abuse our young future in any way. If we do accept it we have failed them and ourselves. I write this letter in faith that you will be my voice, Monte. Somehow it does not seem enough, words on paper, but it is a start.

This letter says more eloquently than anybody in the House could ever say just how devastating and unnecessary these crimes are. That is what is so frustrating.

I do not really understand why the police did not intervene. They say the boy was 13. My understanding is he should be culpable when he is that age. I certainly put a phone call in to the police to talk to them about that.

• (1045)

However, the whole point is that if this young man were accused, brought to justice and convicted, it would not necessarily mean he could not do it again, because the public would never know what he had done. That is crazy. What are we doing here? Why are we allowing this to happen? It is ridiculous.

I look around here and I see people who are of high intelligence and mature individuals who must understand exactly what this does to people. Why are we not doing something about it? Why is the government not moving legislation today to fix this? I do not understand it. The people at home do not understand it. If it were just a case of not understanding that would be one thing, but it is the terrible damage it does that is so frustrating.

My friends over here have pounded away at the government, asking it to bring in some changes that address these types of things, and it has not. It has not addressed them. It would be so easy. We frittered around with tiny little pieces of legislation over the last few days when we could have been dealing with things of real consequence, things that would really help people.

Maybe I was idealistic when I took on this job, but I thought we could bring some of these obvious problems to light and perhaps something would happen, perhaps there would be changes. It has not happened. It does not happen, and that drives me and everyone here crazy. I know it drives members across the way crazy. There are people who sit on the back benches who ask why we cannot change this. I do not know the answer to that. I guess the only people who know the answer to that are the people who reside in cabinet, where all the decisions are made.

I encourage them to open up their ears and realize that by not acting to bring down some fundamental changes in the justice system they are allowing people to get hurt. If they are not consciously and not maliciously doing it, they are unconsciously doing it. However, the effect is the same.

I encourage government members to start thinking about some of these victims out there, to start supporting some of the amendments like my friend from Wild Rose brought forward the other day, which would compensate victims, and to start opening their eyes to what is happening out there in the real world. When that day comes there will be 52 Reformers standing up and giving the government 100 per cent support.

As I said at the beginning of my speech, I would love to support this bill but I know what would happen if we did. This government would take that as an excuse to quit. Therefore, it is with reluctance that I say it is a step in the right direction but it does not go nearly far enough. We will not give the government an excuse to quit. Over the next several months my friends will be on the heels of the government every day.

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I am pleased to enter into this discussion.

The member from the Reform Party said the actions of the government drive every member of the Reform Party crazy. He inferred that the same is applicable to this side of the House. Let me agree with the first part of his statement and very strongly disagree with the second part.

The member, in his convoluted statement, said he supports what we are doing but that it does not go far enough as far as he is concerned, so he and his party will vote against this bill. I have sat in the House for the past two years and I have never ceased to be amazed as to how simplistic the Reform Party attitude has been to this whole issue. It seems to me that during many of their interjections and their discussions they are promoting a very simplistic justice system, very simplistic solutions to a very complex problem.

• (1050)

They are forever talking about victims and victims' rights. I am amazed that a party that purports to be for law and order would not support the victim groups that want stronger gun control and support the government's legislation. Maybe the member can tell me how and why he does not support gun control as asked for by victims groups as well as the police in the country.

Mr. Solberg: Mr. Speaker, I assure the hon. member from across the way that he does not speak for all his backbenchers. I have talked to many of them and I know where they stand on the issues.

With respect to the whole issue of victims' rights, many members of our caucus have been in regular contact with victims groups, have been supporting them, have been proposing legislation through private members' bills that would help them. We moved a motion in the House the other day which the government did not support. That motion would have provided some kind of compensation to victims. I want to make it very clear that we come down four square on the side of victims.

On the issue of gun control, I think it is an improper characterization to say that all victims groups to a person believe that gun control will somehow staunch crime in the country. That is obviously wrong. I also point out, as my friend from Yorkton—Melville has claimed in the House, that many police, I would argue the great majority of rank and file policemen, do not support gun control as it has been proposed in the House.

If there is anything simplistic in the House it is the comments of the hon. member across the way. I argue there is not a person in the country who has watched this channel for any amount of time who would ever doubt for a moment the sincerity of members on this side of the House when it comes to standing up for victims and hounding the government to bring about some changes which, to the government's credit, it is starting to bring about in some of this legislation.

We will continue to nip at the heels of the government until we start to see some real substantial changes in all areas of criminal justice.

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, the hon. member has made reference to a particular case and read a letter. I take it the hon. member is well aware that laws are made by the federal government but the enforcement of these laws is strictly in the hands of the provincial governments. Barking in the Chamber is the wrong place. Comments have to be made to the provincial attorneys general to make sure matters are taken care of.

The John Howard Society has put out statistics showing that a substantial number of young people are convicted of offences, and 31 per cent of the young offenders are incarcerated but only approximately 20 per cent of adults are incarcerated. Proportionally there are more young offenders being incarcerated than adults. Yet we can see the Reform Party is clamouring for stronger sentences. As well, it appears that more young offenders are being charged but the crime rate of young offenders is not going up.

With the position the Reform Party is taking, is it indicating there should be more incarceration facilities built in this country for young offenders and perhaps resort to a system similar to what is developing in California?

• (1055)

Mr. Solberg: Mr. Speaker, the hon. member has addressed several issues. He mentioned this was more of a provincial matter when he referred to the letter I read from. I am sorry the member missed the point I was making. If that young man had been convicted, and since federal laws say his name cannot be released, then he could go on to do this again and again and we would not be protected from him because we would not know his identity. To me that is a federal matter. Anybody who knows anything about the law should know that it is this way. I am surprised that as a lawyer the hon. member did not realize that.

With respect to the stronger sentences, I remind the hon. member that it was his government that felt stronger sentences were necessary in Bill C–41. I remind the hon. member that in this very legislation there are stronger sentences being proposed. Now he is arguing against them. That is a little ironic. I encourage the hon. member to read the legislation.

With respect to the fall in the crime rate among young offenders, there is a demographic issue that needs to be addressed here. It is not at all clear. If we go back a generation and look at the rise in violent crime between the sixties and today, it

has gone up fourfold, I believe. Let us not spew out statistics without all of the background that goes with them.

The hon. member should take the time to sit down and read this legislation. If he does he will not be so quick to jump up and start criticizing the Reform Party.

Hon. Raymond Chan (Secretary of State (Asia–Pacific), Lib.): Mr. Speaker, I rise to address the House about a critically important public safety issue and to outline some of the measures the Government of Canada has initiated in response to our commitment in the red book to ensure safe homes and safe streets.

All of us are painfully aware that the issues related to the management and treatment of sex offenders in federal correctional institutions are very much of public concern. Media attention and public outrage over violent crimes committed by sex offenders on conditional release have heightened fears about public safety.

During the summer I had extensive consultations with my constituents in Richmond. I went to the bus stops and the shopping malls to speak with my constituents. Sure enough, the number one concern of my constituents was with crime issues. Last year I did the same thing, I reached out to the constituencies, and their concern was with the debt and deficit. I suppose this year, because of the works of our government, the debt and deficit are under control. Now their concentration is on crime issues.

It is imperative that the Government of Canada take action to restore the public's confidence concerning the management and treatment of this group of offenders. I am confident the provisions contained in Bill C–45 as well as a number of criminal justice rights initiatives taken by the government would go a long way to restoring the public's confidence in Canada's criminal justice and correctional system.

The issue of high risk sex offenders is a complex problem, which has many facets. It would be unrealistic to expect a simple solution. The problem requires a comprehensive approach involving all jurisdictions and agencies, both governmental and non–governmental, in criminal justice and corrections. The Canadian government recognizes this and has taken leadership to gain the support of all parties concerned toward achieving a mutual solution.

At the federal and provincial levels there has been much discussion about this issue among ministers responsible for justice and corrections and a number of actions have already been announced. Among these was the announcement by the solicitor general last March of the establishment of a national flagging system using the Canadian Police Information Centre to help crown attorneys better identify high risk violent offenders at the time of prosecution. This system, along with the project now under way called the crown file research project, will assist prosecutors with decisions regarding prosecutions and charging strategies, including whether to bring a dangerous offender application against an individual. If a person is ruled by the courts to be a dangerous offender, an indefinite sentence of incarceration can be imposed.

• (1100)

Both these actions were recommended by the federal, provincial and territorial task force on high risk violent offenders which released its report earlier this year. The government is also addressing other important recommendations outlined in the report. For example, legislative changes are being examined which would make it easier for crown attorneys to make use of the existing dangerous offender provisions in the Criminal Code.

The provisions would be strengthened by making an indefinite sentence of incarceration the only sentencing option for those found by the court to be dangerous offenders, providing for new expanded presentence risk assessments in place of the current requirement for the evidence of two psychiatrists and the creation of a new category of long term offender, which would give the courts a new sentencing option for this group. This would require the long term supervision of the offender for up to 10 years following the end of the penitentiary term.

In addition to the work of the task force, the amendments to the Corrections and Conditional Release Act contained in Bill C–45 include other important changes which would tighten the legislation to ensure greater public protection. Principal among these are changes to detention provisions as they relate to sex offenders who victimize children. The amendments will eliminate the current serious harm criterion for this group of offenders.

Research has shown that the harm caused to children by sex offenders may not manifest itself until later in life. Therefore, because it is so difficult to draw a direct relationship between the offence and the consequent harm done, sex offenders often fall through the cracks when it comes to deciding whether they should be detained until the expiry of their sentence. The changes in Bill C–45 will close that gap by removing the requirement to determine whether serious harm occurred in sex offences involving children.

In the area of federal corrections much has been done to make the system more responsive to the demands for increased attention to public safety. Correctional Service Canada has experienced rapid and unprecedented growth in the number of sex offenders in its custody. The rate has been quite disproportionate compared to the overall increase in the federal inmate population.

In the past 10 years the number of sex offenders in federal penitentiaries has grown at a faster rate than any other group. From December 1990 to December 1994 the number of sex offenders under the jurisdiction of Correctional Service Canada increased by almost 50 per cent, while the total population increased by 10 per cent. In 1984 they represented little more than 7 per cent of the total federal inmate population. Today, however, nearly one–quarter of the incarcerated population and 17 per cent of the supervised population are sex offenders. As of

January 1995 there were an estimated 4,900 with sexual related offences in their sentences.

• (1105)

This increase is the net result of a number of factors. Ten years ago about 14,000 reports on sex offences came to the attention of police each year. Today police receive more than 30,000 such reports annually. The police have become better trained in investigative procedures determining the profiles of sex offenders and in their sensitivity to victims.

As well, attitudes have changed. Victims are much more willing to come forward. We have seen cases being prosecuted that occurred almost 30 years ago. There have been legislative changes resulting in new offences that were not investigated or prosecuted 10, 20 or 30 years ago.

Our society has seen decreased tolerance. The length of sentences being imposed by the courts has also increased. In 1991 the average length of sentence for sex offenders was 4.2 years. Today it is well over five years on average.

The trend therefore is that more sex offenders are entering the federal correctional system. They are staying longer and many are quite likely to be detained until the expiry of their sentence.

Of the 555 offenders detained today, 60 per cent are sex offenders. Correctional Service Canada, therefore, has had to respond to this dramatic increase by quickly expanding its treatment capacity from less than 100 offenders 10 years ago to more than 1,800 today.

This year it will increase to over 2,200. The correctional service has also increased the amount of money devoted to this area of treatment during the past five years. Expenditures in the coming years will increase by another $1.3 million in addition to last year's estimated $11 million.

Recognizing that treatment does not stop at the front gate of a prison, the correctional service has also expanded its capacity for follow–up treatment and relaxed prevention in the community for offenders under conditional release.

Seven hundred of the eighteen hundred treatment placements currently available are being provided in the community. To its credit the correctional service with the help of many experts has developed and implemented among the best programs and risk assessment tools of any other correctional jurisdiction in the world.

In late March the correctional service sponsored a national conference on sex offender treatment in Toronto. More than 400 experts and practitioners from across Canada, as well as the United States, Belgium, New Zealand and Norway, met to share knowledge and expertise in this important area.

To ensure that the service maintains its high standard of performance, a national strategy on sex offenders has been developed which is being shared with provincial mental health and correctional agencies to achieve a national consensus on standards for the assessment and treatment of sex offenders.

It must be said, however, that experts and practitioners the world over do not claim there is a cure for sex offenders. There is no single cause for this form of deviant behaviour and there is no single approach to treatment.

Instead there is a need for a continuum of treatment from intensive to intermediate to low intensity and a strong emphasis on managing risk through relaxed prevention. The latter involves teaching these inmates to recognize the factors that led to the commission of their crimes as well as avoidance and coping techniques for dealing with high risk situations. Even though the treatment programs and assessment tools are acknowledged to be among the best in the world, the state of knowledge unfortunately is not 100 per cent perfect, and it is unlikely it will ever be.

• (1110)

Sex offenders are not a homogeneous group. The nature of their offences vary. Their treatment needs vary. Their security levels vary. Not all sex offenders pose the same risk to the community when they are released. The majority of them will be released eventually whether under some form of conditional release or on expiration of their sentences.

The correctional service has conducted a number of follow–up research studies to acquire a better understanding of the rates of reoffending for treated and untreated sex offenders. It is too early to draw any firm conclusions, but by and large sex offenders who have participated in treatment programs have a greater probability of success than those who are untreated.

A three–year follow–up of nearly 1,200 sex offenders released from prison between 1985 and 1987 revealed that 6 per cent were readmitted for another sex offence. Almost 14 per cent were returned to prison for a variety of non–sexual offences and 11 per cent were readmitted for some form of technical violation of release conditions.

We know full well that statistics are of little comfort to the families of victims of these offenders in the aftermath of a tragedy. However I assure members of the House, indeed all Canadians, that tragic incidents also have a profound impact on correctional staff. It strengthens its resolve to improve the assessment procedures and the quality of treatment programs.

Real progress is being made to ensure greater protection for Canadians, especially from violent sex offenders who pose a high risk to women and children. The government has taken a very balanced approach and will continue to launch new initiatives in coming months to demonstrate its commitment to doing everything it can to make our homes and our communities safer.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I have a quick question for the hon. member. Earlier we heard the parliamentary secretary to the solicitor general speak. I heard some of the same things a few minutes ago about treatment for our criminals that is going to be delivered, what we are going to do.

We are forever spending lots of money on treatment of these types of individuals. The victims need treatment as well for the trauma they go through, but we do not spend a nickel on treatment for victims. Nor do we provide them with any psychological help or any number of things. We do not do anything in that regard.

Now we are to spend more money because our treatment programs are to be better than they have ever been. The prisons will tell us that they have a tough time delivering treatment programs now, and they have had a tough time doing it over the last 10 years. All of a sudden we have a piece of legislation that is to make it happen and it is to be really good.

I have two questions. Why not spend some time helping victims in the same regard? If this is to be done in the prisons, where in the devil are you to get the money?

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

Mr. Chan: Mr. Speaker, it is not true the government has not done anything for victims. Legislation is in place or in process dealing with restitution for victims of crime and helping them in different areas. It is incorrect for him to make that kind of statement. Treatment is so important in the prevention of crime. Sex offenders vary in the degree of their sickness and they need different types of treatment. A blanket coverage of just putting them all in jail forever or not give them conditional release, so they could be treated before they are released into the public is pure irresponsibility.

• (1115)

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, what a wonderful thing I just heard, all the great things that are being done for victims across the country. That is just not true.

All we need to do is visit any victim, as I did yesterday, the family of Louis Ambas in Scarborough. Tell me one thing that has been done by the government for the family of that individual, the orphans and the widow. Nothing has been done.

I get tired of the same old rhetoric about the wonderful things being done for victims. Wonderful things are being done for the criminals. Their rights are looked after so much. Boy, are we going to treat them and help those poor guys and ladies. We are going to really do our best to make sure they are well looked after.

I will say it again, nothing is being done for victims, nothing. If I knew how to say it in French, I would make sure I said it once more.

For the last two years the government has brought forward legislation such as Bills C–37, C–41, C–68 and now C–45. All this legislation reminds me of an old motto of my mother, and probably your mother too, Mr. Speaker: "Put a little spoonful of sugar with the medicine and it will go down". That is what the government has done with every one of these pieces of legislation. It has sprinkled in a little sugar in Bill C–37, very little mind you, but some would say that is not a bad idea. After looking at the whole bill there are so many rotten things in it that we just cannot support it.

Bill C–41 is a really good example. There are some things in it that are not bad. Then we get petitions tabled here, letters from all across Canada about Bill C–41 saying: "Do not include sexual orientation in section 18.2. If the government includes that section, don't vote for it".

I know these people across the way table many of those petitions. I know that many of those people across the way have tried to amend that section. Some of them really made a big effort. Some of them voted against the bill and got punished because they did what Canadians wanted. Is that not a shame? I think you know what I am talking about in that regard, Mr. Speaker. What a shame.

However, we are the bad guys. We did not support Bill C–41 because of all the fine things it is going to do. We tried to amend them. Members from the Liberal Party tried to amend the bill and make it better. It did not happen. If they voted against it, look out.

Along comes Bill C–68. That sucker is that thick, about 167 to 180 pages. The government sprinkled some sugar on about 17 pages that addressed the criminal. The rest of the bill addressed the duck hunters, deer hunters, rabbit shooters, gopher shooters, target shooters, gun collectors; the legal, the law–abiding citizens, the taxpayers, the hard working people that pay those wonderful pensions Liberal members all took, with the exception of a few who I am glad did not. That is what that bill attacks. Seventeen pages of the bill have a little sugar and we are supposed to support it because of those 17 pages. Why can we not pull those out and give us an opportunity to do that?

• (1120)

The government really makes it tough when it creates legislation like that. Is it a game being played in the justice system? If we took Bill C–37 and piled it on top of Bill C–41 and piled Bill C–68 on there and piled Bill C–45 on that we would have a stack quite high. They took millions of dollars to create. They are

written in a bunch of gobbledegook that a guy like me who has 16 years of education does not have the vaguest idea of what one–tenth of it means. Therefore, we rely on the help we can get. We get researchers to help us out. We even go to the justice committee and ask some of our colleagues from the other party who are really good at doing that. I really appreciate their efforts. They are able to tear into that legislation. I really appreciate when some of the members of the Liberal Party come forward with amendments that will make the legislation better. Add more sugar in there, I like that. Let us do that.

However, if a Liberal member is effective on a committee like that and dares to vote against the front line on any issue that he or she might disagree with, then he or she is out of that committee. They are bad boys or bad girls because they did not vote with the government. Democracy? Democracy in a pig's eye.

That is what makes it so hard. That is why when we look at some parts of Bill C–45 we say: "Darn, that is a good idea. I would really like to support that". However, the government makes it impossible with all of the other gobbledegook that is put in there.

I listened to the justice minister, who challenged me to join with him in helping to make the country safer. However when I stand here and move a motion that asks why we want to limit dangerous sexual offenders to only those who offend children, why not everyone, what happens? Who can argue with the fact that we should keep dangerous child sexual offenders in jail? Who can argue against that? I cannot. However, should it make any difference that the one they are keeping in has offended 13, 14, 15 or 16–year olds and the one they are not going to keep in has offended against 19, 20 and 21–year olds, grown woman or 85–year olds? That is what does not make any sense.

Therefore, we stand and move a motion. I defy anyone to tell me there is a big difference between raping a 17–year old and raping an 18 or 19–year old. Tell me there is a big difference. We moved a motion to amend that. Did we get support? No, not one bit. The little boys on the front line probably passed the word that the backbenchers were not allowed to vote for it. When their strings are pulled the puppets jump up and the arms vote the way they are told because they do not want any more punishment. If they get any more punishment they lose the ear of the government. I have news for them, the government is going to lose the ear of the public. It is sick and tired of it.

There was a rally last night in Scarborough of nearly 500 people. They are fed up to here. Simplistic is a guy who jumps up like a puppet and does not vote for his constituents. Simplistic is when you do not think for yourself, stand on your own feet and represent Canadians. Instead, you represent the front row, that is simplistic. What an easy way to earn $64,000 a year. It is real easy.

Let us look at Bill C–45, the bill dealing with dangerous offenders. What about the parole boards? We have a serious problem in this country. We are going broke. However, we are going to put in more things to help these criminals. We are going to give them more treatments. We are going to keep the parole boards active. The parole boards cost quite a bit of dollars.

• (1125)

I hear over and over again from the people who work closest with the criminals that it really should be handled at their level. Maybe now would be the time to consider there not even be a parole board, that releases should be determined by the case workers, the guards, the psychologists and the people who work in the prisons closest to the inmates. Why not consider that?

Wait a minute. If we got rid of the parole board, guess what? A whole lot of positions would disappear. Some people would not be appointed to it so they could stick their snouts in the trough. We cannot have that. It is the traditional way. We have been doing it for 30 years. Let us not do anything different.

I asked the government to make it mandatory that bad decisions by parole boards be totally reviewed. In Bill C–45 it may be done. We wanted it to be mandatory. It makes sense. The ordinary Joe on the street anywhere would say: "Sure, why not?" What is wrong with a little accountability?

I do not think there is a person in this place who did not come from some job somewhere where they had to be accountable in that job. Why should it be any less now in government or in an appointed position? That is all we were asking for. The answer was no. The Liberals would not vote for it.

I asked for mandatory restitution. There is a clause in Bill C–45 that says 30 per cent of the wages earned in prison are to be paid back to the government to pay room and board. Nobody can argue with that. It is not a bad idea. I realize that is not a great amount of money but even a little bit helps. I simply wanted a motion that said: "How about taking that 30 per cent and giving it to the victims, to the widows, helping them out?" After all, the government is looking after the victims. No. No. That could not be considered. I really do not understand.

Then all of a sudden I do understand. There are probably quite a few people on the backbench who would like to support it but the boys in the front row pull the strings and up jump the puppets and away we go again.

When I look at the legislation that has been written, that stack, I wonder why it cannot be in a little better language, something that an ordinary guy could sit down, read and maybe understand what we are doing. Or does it have to be produced that way so we can keep all those ants running around the justice building over there, all those senior bureaucrats making a lot more money than we are, so they can continue to put this stuff together and make sure not to get to the meat of the problem. Just make sure to sprinkle a little sugar throughout the whole thing so that we

would look like fools if we did not support it. That way we can keep those fellows employed all the time.

It is wonderful, just wonderful. A bunch of bureaucrats running around, do nothing bureaucrats creating a bunch of stuff the ordinary Canadian, including the member across, cannot understand. It cannot be read or understood. I am just trying to make sense out of it.

Instead of spending millions of dollars putting stuff like that together, how about taking that money and putting some guards down at Port Erie where the trucks drive through. Customs cannot even stop them because they do not have enough help.

The attorney general for Ontario says that trucks are coming through driven by criminals. What do we do? I am sure they are over there working on it right now. There will be another Bill C–926 or whatever it will be called. It will be thick and full of gobbledegook. It will not be as simple as saying: "Look, there is a problem. Let us fix it". That is not the way it is done. The game is not being played right.

• (1130)

I am tired of playing the game. I have been here two years and I have been listening to nothing but games. We ought to be able to accomplish something in the House. Instead, the best thing that has yet happened is the legislation on DNA testing. The only reason that happened is this party put the Liberals in a corner and they had to do it. They refused it for a year. Then all of a sudden out of the blue they decided it was a good idea, after I had asked for about the tenth time.

I do not know how members of that party can sit opposite to us and laugh, thinking this is all a big joke. I wish they had spent an afternoon with me talking to a few widows and orphans. I would bet they probably do not know what a victim of crime looks like.

I wish they had been with me when I spoke with the mother of the five–year old girl who was found in a garbage dumpster in Calgary with her throat cut. She is a single mother with no income, barely making ends meet. She has not received one penny's worth of help and has two other people living with her. The best they come up with over there are giggles and laughs.

Somebody is going to wake the government up. I am trying to. I am sure I will not accomplish it but I will guarantee there are Canadians all across the country. Your day is coming. You guys at the pig trough talk about 1.5 million kids starving in this country. I have news: Let us all give up our pensions and steer that money toward those starving children. What is wrong with that? You are too greedy.

Mr. Bodnar: You are on pension already.

Mr. Thompson: The hon. member does not even know what he is talking about. If he wants to talk to me about my teacher's pension I will be more than glad to do it. Once he understands it I am sure he will say: "Well, I didn't realize that".

Let us solve the problems. There are hungry children in this world and people living in poverty. Do something. Join the rest of us, including six of your own members. Give up those pensions and let us do something. Let us steer that money that way. You do not want to? You like what you have? You live with it and wait until the next election. You explain it to people in your community who may have these starving kids. You explain to them why we continually bring up legislation—

The Deputy Speaker: The hon. member has used the word you referring to other members at least four times in the last three minutes. I ask him please if he is using the word you to refer to whoever happens to be sitting in the Chair.

Mr. Thompson: There I go again. Mr. Speaker, you realize what I am saying. If these people are starving and hungry and there is poverty in Canada, why do we not do something? We have had more and more opportunities. I am fed up to here. This justice system is not a justice system; it is a legal system. It is an industry. My goodness we spend a lot of money in this industry. We take forever to get the Bernardos convicted. We spend millions. We plea bargain with the Homolkas. We pay Clifford Olson $10,000 for every body he leads us to. Does that make any sense at all?

My hon. colleague will sit over there and say: "Ah, that simplistic old fool". Another will say: "Just because that guy taught for 30 years in a school, he is not entitled to $900 a month pension", even though it is all my money to begin with.

An hon. member: Not taxpayers' money.

Mr. Thompson: It was not taxpayers' money.

I am more than pleased to give up my pension in the House. I am not an opportunist. I do not plan to make a career out of politics. I plan on trying the very best I can to get some laws changed so that my grandchildren—I have three of them who are about this big—and your grandchildren and a few more young children and women will be more than pleased to go downtown by themselves and feel safe. What is wrong with that?

• (1135)

I know what is going to happen though. The cabinet will decide and the puppets will vote and support its wishes. It is not

the justice system that will grow; the Liberal system will grow. That is a real danger to Canadians.

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, the hon. member in his usual folksy and entertaining way has made a speech in which, of course, he has managed for the most part to stay away from the subject matter before the House today, Bill C–45. He has ranged over the Young Offenders Act, MPs pensions, his travels throughout the country, but what has he really talked about? Has he really addressed the issues of Bill C–45?

The reason I am up is that yesterday the hon. member visited the very nice community of Scarborough of which I am privileged to be one of the five members of Parliament. Five hundred and fifty thousand people live in the city of Scarborough. I hope we made the hon. member feel welcome as a member of Parliament and that he had the opportunity to express his point of view which in a democracy everybody is entitled to do.

I want to talk about Bill C–45 and ask the hon. member a question. He talked about gobbledegook. He talked about how laws are written in gobbledegook. That may be if one is not a lawyer.

What we do in the House is write and pass laws. If we do not understand them, somebody has to understand them. We hope that they are the lawyers in the justice department. If they do not understand them, then as has been done in the past, the courts will tell us what they mean. I will be referring to that very topic in my speech in a few moments. We do not want to be told by the courts what we meant. Therefore we had all better make an effort to understand this gobbledegook because if we do not understand it, then we are at the mercy of the lawyers.

The previous speaker from the hon. member's party gave the nub of the problem of the Reform Party which is that there is really nothing wrong with Bill C–45. It is actually kind of good. It actually does some good amending to former Bill C–36. However the Reform members dare not support it because, in the words of the hon. member for Medicine Hat, that might be enough and we will not go any further.

I recall the Reform Party members, when they came here, saying they would do things differently. They were not going to oppose for the sake of opposing. If something was good, they would support it. What is really wrong with Bill C–45 that the member cannot support it while still making the points he makes about the various other topics he spoke about?

Mr. Thompson: Mr. Speaker, I guess it is more of what is not there than what is there which bothers me. I talked about dangerous offenders. I hope the message went out that I feel it should not apply to the offenders of children only. It should go beyond that to a great extent. Because my time ran out I did not get a chance to talk about a couple of other things that should be in the bill.

For example, drugs are a very serious problem in our prisons. I am sure hon. members including the member for Scarborough West would agree that they are a serious problem. I am trying to figure out why we have not brought in legislation which says there will be no more drugs in the prisons that they will be out of there. Does it make any sense when 70 per cent of the people going in there have a drug problem? Yet they are sending them to a place where drugs are more accessible than they are on any street. We are going to rehabilitate them while they are in there. Think about that.

• (1140)

Here is a guy who is going to prison. He represents about 70 per cent of the prison population in that he has a drug problem. That is why he got into trouble to begin with. We are sending him to a prison where drugs are more accessible than they are on the streets. To help him we will give him the bleach program or sterilized needles. Then in four years we will let him out and he will be rehabilitated. We might as well take an alcoholic and sentence him to a wine cellar for six months and see how well he is fixed when he gets out.

It is not so much what is in the bill, but it is a lot of what is not there that should be. There are some things in there we would like to support, but why do we always have to make the tough decision about supporting something we do not want to in other parts?

I know the hon. member struggled with Bill C–41. There are some good things in Bill C–41. Should we support it? That is the decision which is always tough. They could do better when it comes to the gobbledegook. Why do we not stick to what Canadians want? Why do we not listen as parliamentarians to what Canadians say? My people are saying: "We want this; we want that. Now write the laws". Is it so difficult that these guys over there are so smart that they cannot write in common English, French or a language we can understand?

The hon. member is right. We had better understand it. I am trying to make every effort I can to understand it. It is too bad we cannot pick up a lot more by ourselves without having to get a bunch of help to do it. I do not know if it is possible, but if it is not impossible let us fix it. Let us give a direction to the authors of our laws that from now on when they write income tax laws or criminal justice laws they are written so that the farmer in Alberta or the bushman in British Columbia can sit down, look at them and understand them. That is simplistic according to some members but to me it is common sense.

Why do we not take the good things that the people want? Let us listen to them and talk about them as parliamentarians. We should put our differences aside and say: "Here are some things we have really got to fix". Why do we not go into committees together, work together and get this done? Because it is not the

Liberal way. It is not the Conservative way. It is not the way we do it in Canada. Maybe it is time to change.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, the hon. member for Bonaventure—Îles-de-la-Madeleine made a very eloquent presentation. I was surprised that my colleague on the other side did not listen to the parliamentary secretary. All that Bill C-45 does is close some of the loopholes which exist in the present system.

Does the hon. member have a problem with the government making it easier for the parole board to keep people in the penitentiaries until the end of their offences if they are sex offenders or repeat offenders? Does he have a problem with the parole board being able to keep people who have committed violent crimes until the end of their sentence? Does he have a problem with those two recommendations? If he does not, does that mean he will support the bill when it comes before the House for the vote on third reading?

Mr. Thompson: Mr. Speaker, there again he is talking about a bill which is this thick and he talked about a very small portion of the bill. That is what he talked about.

Certainly I can support that idea. Can I support the entire package? If I want to support that idea I have to vote for the whole ball of wax. It reminds me of the Charlottetown accord. How many times has the Prime Minister said: "You do not want a triple-E Senate; if you had wanted a triple-E Senate you would have voted for the Charlottetown accord". Hogwash. That is maybe one thing in there we did like, but there was a whole pile of stuff in there that people did not like, obviously, or it would not have gone the way it did. Sometimes you do not buy the whole package because of some good stuff.

• (1145)

That is why it is really difficult when we sit over here. When the government does produce something that has the sugar in it that we like, the things that ought to be in there, why does it colour it black with some other stuff when it knows people do not want it? Why do we have to buy the whole package?

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I have been listening attentively to the debate. I have listened attentively to the Reform Party and its position.

It is difficult to be in opposition. The Reform Party sometimes forgets that our party was in opposition for nine years. It is not as if we do not know what it is like to be in opposition and how difficult it is sometimes.

I gather basically that what the Reform Party is saying is there is nothing wrong with Bill C-45 per se; what is wrong is there is not more in it. I take some solace in that. There is nothing wrong with Bill C-45 specifically. Everything can be improved. We can always do better. There can always be suggestions coming forward based on what happens in certain cases. That is no reason not to support a bill in which there is nothing really wrong, other than that it is not thick enough, I guess would be the way we would put it.

In my brief time I will concentrate on two aspects of Bill C-45 in the context of how individual members of Parliament can make a difference to the legislative process. This is reasonably relevant in view of the member's comments about puppets. There is an unfortunate belief pervading Canada that the individual member of Parliament cannot do anything, cannot contribute, does not make a difference.

I will talk about the history of this bill and what happens when individual members of Parliament take an interest. What piqued my interest in this topic was what one of the Reform Party justice critics said last Wednesday, September 20, 1995, the hon. member for Crowfoot, with whom I have worked on the justice committee. On page 14658 of *Hansard*:

> Canadians can no longer tolerate the likes of Wray Budreo, who psychiatrists diagnosed as a sadistic pedophile having a 30-year history of molesting children, being released unsupervised from a maximum security prison because correctional services did not have the power to detain him even though the parole board ruled him likely to reoffend. They cannot tolerate it because the cost is far too high.

I have had an intimate relationship and knowledge of that particular section of the previous act and of the Wray Budreo case, which I am about to relate. I thought my friends in the Reform Party might be interested in the facts of that matter. They do not quite gibe with the quoted comments of the hon. member for Crowfoot.

While we were in opposition I was the official opposition critic for the solicitor general. As such, I was charged by my party with watching over Bill C-36, the Corrections and Conditional Release Act. I struggled with my party with the very points my friends in the Reform Party have brought up today. Ultimately, we voted against the bill.

I put in something like 20 or 30 amendments, which were accepted and which in my view strengthened the bill. In the end, in our view there were sufficient problems with it to vote against it. In a parliamentary democracy we lost the vote and the bill proceeded. It is now the law of the land. It has been implemented. Correctional services asked us to give the bill a chance to work and if we found any errors we would plug them, thus Bill C-45.

• (1150)

Before Bill C-45 we came up with the problem of Wray Budreo, and that is specifically section 130 of the act. My friend will know how things go in these deliberations. We go over it

with a fine tooth comb, line by line, word by word, comma by comma. Fifteen or nine or however many members of the justice committee who were there at that time missed something. We did not purposely overlook it; we simply missed it. That was the serious harm clause which states that by statute every prisoner must be released after serving two–thirds of his or her term.

I am not talking about a life sentence here. Generally, if there is a fixed term then after two–thirds of that term you must be released unless certain things happen. One of those is a reference to the board. If the board finds that an offender, if released, is likely to commit an offence causing the death of or serious harm to another person before the expiration of the offender's sentence, according to law the board can order that he or she be kept in for the balance of their sentence.

We read that, agreed with it and passed it. I did not offer any amendments. What happened was that the Wray Budreo case pointed out to us that we had missed something. What happened? Wray Budreo is not, I suppose, depending on how you use the words, a sadistic pedophile, which implies what we might call actual physical assault on children. Wray Budreo is a pedophile, there is no doubt about it; but as far as we knew from the profile he did not sodomize young boys. What he liked to do was in effect pet them on the abdomen. This caused him sexual pleasure.

The board took the interpretation that petting a child in that manner, not even touching the sexual area, just the abdomen, was not serious harm as defined in that section. Serious harm was deemed to be, for example, sodomizing a young child. Of course, a petting would not be an offence likely to cause death.

The board felt its hands were tied and it would have to let Wray Budreo out after he had served two–thirds of his sentence. It agreed he was likely to reoffend. It agreed he was likely to find other children and touch them on the abdomen and various other places. It also agreed he was not likely to cause death and he was not likely to cause serious harm as that section had been interpreted.

When that hit the papers, perhaps to use some of the rhetoric of my friend, I went ballistic. I brought this matter before the justice committee, which at that time was chaired by Mr. Bob Horner, a Conservative. The committee was controlled by Conservatives. I asked the committee to review this section and see if we could come up with a suggested approach for the government. All of the parties agreed, and the New Democrats were represented on that committee as well. We undertook a study of section 130 in specific reference to the Wray Budreo case and we came up with a unanimous report, which we tabled in the House of Commons.

Sadly or perhaps happily, depending on whether we are looking at it politically or in terms of solving this problem, we were approaching the end of the Conservative mandate. There was not enough time for the Conservative government to react to this unanimous report.

The current solicitor general reacted to it immediately. As soon as he was appointed solicitor general one of the first bills he brought in was Bill C–45, the government's response to what I have just laid out as what happened in the Budreo case.

I will now quote from the amendment to section 130, contained in section 43: "The board may order that the offender not be released from imprisonment before the expiration of the offender's sentence according to law, where the board is satisfied", among other things, "that the offender is likely if released to commit a sexual offence involving a child before the expiration of the offender's sentence according to law".

• (1155)

That is a direct response to a private member's initiative, which plugs the Wray Budreo loophole. That is a response brought forward by the government in direct response to the entreaties initially by me and ultimately the justice committee. It addresses a wrong and a loophole we did not notice in our initial examination of the bill.

That is the history behind that amendment. That is why the amendment has been brought forward. It still leaves in place the requirement of death or serious harm for other circumstances, but it protects children.

Often the very damaging serious psychological harm takes 20 or 30 years to manifest itself. While touching the abdomen of a young child might not be considered serious harm in a physical sense, it might be serious harm in a psychological sense 20 years later. That is the whole purpose behind this particular section.

This is an example of what individual members of Parliament on a committee can do in terms of strenghthening legislation.

Clearly this is an amendment that needs to be supported. If it is in a bill that has all kinds of other terrible things in it, obviously we cannot support it. If it is in a bill that for all intents and purposes is not criticized except for what is not in it, it can be supported and still go after what is not in the bill in amendments by members at committee and in private members' bills. Sometimes the germ of the idea of a private member's bill gets accepted by the government of the day.

The second aspect I wish to talk about in Bill C–45 pertains to section 743.6 of the Criminal Code. I relate it to private members and what I talked about in my question to my hon. friend about the courts, whether we tell the courts what we mean or whether they tell us what we mean.

According to law you must be released after serving two–thirds of a fixed sentence unless certain things occur, which I just talked about. In the same way, you are automatically by law eligible to be considered for parole after serving one–third of your sentence.

In some circumstances, and I am sure my friends in the Reform Party will agree, there are egregious cases in which

people say no, there should not be automatic eligibility for parole after one–third of your sentence.

A section was passed in the Criminal Code which in part says: "Where an offender receives a sentence of imprisonment of two years or more for an offence set out in schedule I or II to that act", that is very serious offences, prosecuted by way of indictment, "the court may, if satisfied, having regard to the circumstances of the commission of the offence and the character and circumstances of the offender, that the expression of society's denunciation of the offence or the objective of specific or general deterrence so requires, order that the portion of the sentence that must be served before the offender may be released on full parole is one–half of the sentence or 10 years, whichever is less".

What does all that mean? It means that if a judge sees a case that he thinks requires that the offender serve at least one half of his time before being eligible for parole then he can so order under this section. In my view, it is pretty clear what the House of Commons meant by "the objective of specific or general deterrence so requires". What do I know about what is clear?

• (1200)

On February 20 of this year there was an article in the Toronto *Star* about a drug trafficker. The trial judge, quite rightly I think, thought it was a pretty bad crime, that we did not want drug traffickers, particularly in heroin. The gentleman was sentenced to only three years, but the court ordered that he serve one–half of his sentence before he be considered eligible for parole.

Because I do not rely on what is in the newspapers I did some research by pulling the court of appeal decision in the case and finding the trial judge's reasons which stated:

> The most important factors of sentencing that ought to be brought to bear in my mind on this case are the factors of individual and general deterrence. General deterrence means that the sentence should send a message to other persons in like situations, or who are considering becoming involved in like situations, that this is likely what you will receive.

The trial judge got it right. That is exactly what the House meant when we passed the legislation. It was as clear as a bell to me and I thought it was clear in the words of the section.

Along comes the court of appeal of the province of Ontario to state the following:

> Unfortunately the wording of section 741.2 provides the judge with very little guidance to determine when this exceptional authority over parole eligibility should be exercised.

It also states:

> The presumption is that Parliament intended section 741.2 to have some additional purpose.

I thank the court of appeal. Of course it did. It then states:

> It then falls to the courts to give the section meaning and function.

When I read that I said that it was wrong. It is up to us to tell the courts what we mean when we pass a statute. Therefore I brought the matter to the attention of the justice committee. My friend from Wild Rose was on the justice committee at that time. I pointed out that was not the intention.

The court of appeal overruled the trial judge and stated that the section could only be used in the rarest of circumstances and that in all cases rehabilitation of the offender must be paramount. That was not the intention of Parliament. I was here and I know what the intention of Parliament was. We heard the debates, which were obviously not read by the court of appeal.

The court of appeal states:

> In my view section 741.2 should only be invoked as an exceptional measure where the crown has satisfied the court on clear evidence that an increase in the period of parole ineligibility is required.

There is no onus in this section for the crown to show anything. There is no requirement on the crown to prove anything.

Therefore I asked the justice committee if it would consider an amendment for the sole purpose of overturning the court of appeal's interpretation of what Parliament meant when it passed that section. The result of my request to the justice committee is subparagraph (2) of that section, an amendment in Bill C–45 which states:

> For greater certainty, the paramount principles which are to guide the court under this section, are denunciation and specific or general deterrence with rehabilitation of the offender, in all cases, being subordinate to these paramount principles in this section.

If that is not clear to the court of appeal, we had better send it back to school.

There was unanimous recommendation of the justice committee. The government accepted the recommendation and the amendment. It has already been passed in Bill C–41. It will pass if we vote for this bill. It is another example of how individual members of Parliament on their own initiative, working with others in committees, can make bills better.

I support the bill. We know from the other party there is nothing wrong with what is in it. We can understand there should be more things in it. They can work for those, but they should not throw the baby out with the bath water. I urge members to support the bill.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I had a great time in Scarborough. The hospitality was wonderful.

• (1205)

I would like to know about the consecutive sentencing in Bill C–45. I believe, and memory is getting about as old as the rest of my body, if people commit another crime when on parole that sentence is added to what they did not serve on the other crime. Then they get two–thirds knocked off and are eligible for parole again after one–third of the time, if I am not mistaken. That is wrong.

Consecutive sentencing is something the government avoids talking about. I know it does not happen in the court. It is deplorable to see people like Bernardo commit nine serious crimes and only serve the amount of time one of the crimes would call for.

Mr. Martin (Esquimalt—Juan de Fuca): Sixty–two rapes, plus, plus, plus.

Mr. Thompson: "Sixty–two rapes, plus, plus, plus". Clifford Olson committed 12 murders but is only serving time on one.

Could the member tell me if he has any knowledge about why we cannot change that and make it retroactive for those who were sentenced previous to Bill C–45?

Mr. Wappel: Mr. Speaker, I thank the hon. member for Wild Rose for his question. I believe the hon. member was not referring to consecutive sentences but rather to multiple sentences contained in section 139 of the Corrections and Conditional Release Act. If there is a section of the Corrections and Conditional Release Act which might qualify as the word my friend used in his previous speech, gobbledegook, it is that section.

We struggled with the section when we initially went through the Corrections and Conditional Release Act. We had flow charts. We had chiefs of police showing us what would happen if someone sentenced to 20 years for armed robbery committed another robbery while on parole. He would get out even before he ended up serving any time on the first offence.

The solicitor general at the time, Mr. Lewis, acknowledged there was a serious problem, that there was a lot of difficulty, and that he would set up a commission or a group of people to examine the matter and come back with some recommendations.

My understanding is that it has been dealt with to some extent in Bill C–45. However I think there is a lot of room for improvement with respect to the multiple sentence calculation. As I said, we missed the Wray Budreo situation but when that situation arose we dealt with it. Tragically it may very well be that the amendments to multiple sentencing, the changes to the calculations, have not dealt with all the problems. It is a very complicated section and a very complicated area of the law.

However if a case comes down that slips through the cracks or exposes an egregious error in the calculations that Canadians simply cannot abide, we will have to come up with an amendment. I am certain the government of the day will do so. No government is in the business of permitting loopholes to legislation. No government is in the business of wanting wild animals to walk the streets to threaten ordinary law–abiding citizens.

We have made an effort to change section 139. I do not know that it is perfect. If it is not perfect we will soon know about it. Whatever government is in power at whatever time will make whatever changes are necessary to tighten the multiple sentence calculations.

I cannot sit down without a word about the Bernardo case, which my friend has raised a number of times. Canadians may not like the reality of the law, but it is that Paul Bernardo has been sentenced to life in prison. I am not talking about when and if he will ever be paroled. He is under a sentence of life and as long as he lives he will be under a sentence of life imprisonment. As the law currently stands—and never mind the 15–year faint hope clause for the time being—he cannot even be considered eligible to apply for parole until he serves 25 years of his sentence. When he applies for parole, assuming he does, after that 25 years there is no guarantee he will get parole. The parole board can refuse him parole for the rest of his natural life and he can spend the rest of his natural life in prison.

• (1210)

Even if he gets parole 25 or 30 years from now, he is still under a sentence of life imprisonment. If he breaches any of the conditions of his parole at that time, 25 or 30 years from now, he can be brought back into the prison system to serve the rest of his sentence.

I want to make it clear that it is incorrect to say that persons who commit first degree murder is sentenced to 25 years. That is false. They are sentenced to life in prison and they have the opportunity to apply for parole after 25 years.

It is up to the parole board to decide on a case by case basis whether or not a particular murderer should be granted parole. For my part I certainly hope that neither Bernardo, Clifford Olson nor the people who murdered Emanuel Jacques, the shoe shine boy, ever get out of prison. I hope they rot in their cells, daily remembering the tragedies they have wrought.

Let us talk facts. These people are under sentences of imprisonment for life.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I noticed the member for Scarborough West passed very quickly over the faint hope clause. I would rather he did not do that.

How does the member feel about clause 745?

Mr. Wappel: Mr. Speaker, I only passed over it because there is really not much in it. It is merely a regurgitation.

There will be circumstances where persons change so dramatically in life—and they will be few and far between—that they should be given the opportunity to put their situation before a jury of their peers, not a judge but ordinary citizens like us.

My problem with the current section is that the persons only have to convince two–thirds of a jury. When they were convicted the jury had to be unanimous that they were guilty. However under the current provisions of section 745 they have to show two–thirds of the jurors that they should be allowed to apply for parole before they serve 25 years.

It should be a unanimous requirement. If they cannot convince a jury unanimously that they are entitled to early parole eligibility, they should not get it.

In the absence of an amendment saying that, I do not support section 745 as it is currently drawn. The hon. member for York South—Weston has moved a private member's bill in that regard which I supported at second reading and which I support now.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, nothing strikes a chord more deeply in the heart and soul of Canadians than the issues we are discussing today. Crime, punishment and safety are essential to their feelings of security.

Bill C–45, an act to amend the Corrections and Conditional Release Act, deals with many very important issues such as detaining sex offenders of children, a system to remove parole board members, a system to deal with reoffenders while on parole, and a system to deal with restitution to the state. All these are integrally important changes that must be made to our justice system.

However, tragically we see again a lost opportunity. Another opportunity we have had to deal with these very important issues and make a significant impact upon our justice system has now passed us by because the government has done what it usually does, that is nibble around the edges.

I will make some constructive suggestions which my colleagues in my party have been working very hard on, issues that we have tried to convince the government to enact for the betterment of all Canadians. Once again it has failed to do so.

The first deals with sex offenders and it only deals with sex offenders of children. Sex offences involving anyone is a crime. Whether it is done to adults or children, by men or women, it is a crime and it needs to be dealt with very severely.

• (1215)

We should be imposing sentences which have as their primary purpose the protection of society and innocent civilians. What we have seen in the criminal courts for decades is that the rights and protection of innocent civilians have not been held in as high a regard as they could have been. In many cases we have seen the rights of the criminals being held in higher regard than the rights of innocent civilians. The innocent civilians have paid the price, tragically at times with their lives, because the justice department has not done its job.

There is the case in my riding of Robert Owens. He is a pedophile. He used to be a principal in a school. He had committed over 1,000 sexual offences. The reason they know that is he used to make a record on a Garfield calendar every time he committed a sexual offence on a child. His sentence was for 13 years. He served eight and a half years and is now living among his victims in my riding near a school. When we brought this to the attention of the authorities they said: "We are sorry. Our hands are tied. That is the law". If that is the law, the law is not doing a good enough job of protecting those victims living in that community.

I ask any member of the House to put themselves in the shoes of those victims. They have to completely change their lifestyle. The system does not address it but my colleagues have been putting forward constructive suggestions to address it.

We also need a better system to deal with parole board members. There have been numerous tragic situations brought up by my colleagues. There are some constructive things which we can do.

First, do not make them appointments, make them public service jobs.

Second, I was appalled that the parole board members, who are in effect acting like judges, go into the job often having no knowledge of justice issues. I find that absolutely incredible. How can we have parole board members who are appointed to positions making decisions with respect to people who could pose a significant threat to Canadian society when they have very little or no knowledge of the justice system? Make those people public servants and ensure they get the job based on merit.

An hon. member: It's not the Liberal way.

Mr. Martin (Esquimalt—Juan de Fuca): Third, as my colleague from Wild Rose said, if a person is on parole and commits an offence they must serve the remainder of their sentence before they are sentenced again, and the sentencing must run consecutively, not concurrently.

Fourth, the bill supposedly deals with restitution. It proposes that up to 30 per cent of what an incarcerated individual makes should go to the state. What about the victims? Who gives money to them? There is no ample compensation for victims,

particularly for those who are victims of violent crime. It would be far more productive if the individual who has committed the offence knows full well that he will have to pay directly to the victim moneys to compensate for the harm he has done.

The bill deals with sentencing. We have spoken about criminals being eligible for parole after serving one–third of their sentence. Karla Homolka will be eligible for parole after serving three years of her sentence. The public may not be aware that individuals are eligible for day parole after serving one–sixth of their sentence.

Mr. Milliken: Presuming they get it.

Mr. Martin (Esquimalt—Juan de Fuca): Oftentimes they do get it.

They are eligible for full parole after serving two–thirds of their sentence. They only serve a maximum of two–thirds of their sentence because automatically they are awarded with good behaviour. A better idea is to ensure that every convicted criminal will automatically serve the full sentence and that sentence would be pulled down based on the behaviour of the individual in jail. Let us not assume that there has been good behaviour, let us make sure it is earned. There are many ways that can be done.

• (1220)

Furthermore all moneys an individual earns in prison should go to the state to help offset the $60,000 to $100,000 that it costs to have someone incarcerated and also moneys to the individuals themselves.

Work and training should be obligatory for individuals who are incarcerated. The training would go a long way to decrease the recidivism rate of those in our jails. It would enable people to get the skills necessary while they are incarcerated so they can become active and productive members of society. Not enough of that is done now. Furthermore it is not obligatory which it ought to be, if someone were to have the wherewithal to do that.

Number six is sentencing. We spoke about section 745 which should be repealed now. It shows the lame inability of the government to deal with significant issues of justice by not addressing section 745.

My colleague from Scarborough mentioned that when people are sentenced to life they serve life. That is absolute nonsense. I have a list that is pages long of individuals who were convicted of first degree murder and because of section 745 their sentence has been commuted to 15 to 17 years. That includes people who have killed police officers in cold blood. I am happy to share that list with anyone in the House.

Is that justice? I hardly think so. That is not the case at all. Section 745 should be repealed now. The government would be showing that it is truly committed to justice if it would take heed of what my colleagues have been saying for so long.

Number seven is young offenders. The government has promised to deal with the Young Offenders Act and has done virtually nothing. I implore members of the government to speak to police officers who are working on the street. Their hands are tied. They are frustrated with the inability of the justice system to back them up when dealing with young offenders.

Having worked with young offenders in jail I can say they receive very little penalty, very little deterrence to committing offences. That is why we see the terrible rate of recidivism among young offenders.

Here are a few concrete suggestions. Publish the names of young offenders. It would send a very clear message that they cannot engage in these activities with anonymity. Have the stiffer penalties that my party has been putting forward for a long time. Make work and school obligatory in their incarceration.

Part of the sentencing problems that we see are because the justice department and all departments are hamstrung because of a lack of funds. That is why we see people being released very early on, earlier than they should be. The trade–off is that the justice department due to a lack of funding is releasing people to save money at the expense of the safety of Canadians from coast to coast. That is not justice.

We have a couple of concrete solutions. We cannot take individuals who are young offenders, who often grow up in tragic and terrible home situations, put them into closed custody for a period of a few months, then put them back in the environment that they were in and expect things to change. It will not happen.

They are usually in an environment in which there are terrible cases of substance abuse, physical and sexual abuse and violence. If they are in this kind of milieu, it is impossible, no matter how much counselling is given to these kids to actually move forward—

An hon. member: Put them in the military.

An hon. member: Military training.

The Acting Speaker (Mr. Kilger): Colleagues, I am quite aware there are some strong views on both sides of this issue. However I remind you that when members are sitting close to the person who has the floor time the microphones are open. I am having a difficult time hearing the intervention of the hon. member. I ask you to keep that in mind.

• (1225)

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, I appreciate that.

As I said before, we simply cannot deal with young offenders and make sure they do not reoffend if they go back to the

environment they were in before, regardless of how much money is poured into counselling and counselling services.

A better idea is to incarcerate them for a longer time in an area away from their former environment where they can focus on work and education in a disciplined environment. It is essential to remove them from their former environment if we are to ensure these kids do not become adult offenders in the future. A ounce of prevention is a pound of cure. It is a worthwhile investment in our time. It need not cost us more money but it is something we desperately need to look at now.

We have to look at a new approach for dealing with crime and punishment. Oftentimes we see the precursors to criminal behaviour very early on. They are often rooted in cases in which there is a terrible environment of violent sexual abuse and neglect. These children need to be identified and picked up very early on.

Furthermore, it would serve many departments well if they were to work in collaboration with the educational department, particularly grade school, in trying to identify families at risk, by bringing the parents into the educational system so that they can also learn the fundamental aspects of being a good parent and what is considered to be reasonable behaviour. They in turn can help when the kids go home and the children will have an environment that will be conducive to building the pillars of a normal psyche.

There has been some interesting work done on this in a number of areas. The early data show that this is a very worthwhile investment of our time. If we can focus more on children when they are three, four and five and early on to identify families that are in crisis when a lady is pregnant, if we can have early intervention into these areas it will pay off in spades later on.

Therefore I strongly implore the government to show a leadership role in working with its provincial counterparts to try to address these problems which will decrease the cost to our justice system, our social programs and make a healthier and safer society for all Canadians.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member made a good speech in the sense that he set out, apparently very clearly, six or seven alternatives to the current bill.

I am surprised he is not supporting the bill because all his colleagues know the bill goes some way to meeting the complaints they have raised regarding Canada's justice system. Yet because it does not go far enough, they say they are going to vote against it, which has to be the silliest logic I have ever heard. I will set that aside for a moment.

I want to talk about the six or seven points that he raised. Frankly, they were sugar coated. I think he will admit that because although he said he wanted to look at sentencing again, he wanted to revise sentencing here and he wanted to change the rules there to make things a little different, the underlying message in almost every one of his points was that he wanted people locked up more often and for longer.

At the very end of his speech, having said nothing whatsoever about the cost of incarceration of inmates or persons in prison, he said: "Of course if we did these other things we would reduce the cost of the system". However, if he does all of the things he listed at the beginning he will increase the costs enormously. To incarcerate an inmate in maximum security costs something like $60,000 a year. It is an extremely expensive process.

What will he do to reduce the cost of the justice system? He says the government is spending too much money. The Reform Party has as its policy drastic cuts. Where will it cut in our justice system if it is to keep throwing people in jail or keeping them there for much longer?

I urge the hon. member to come to Kingston and tour the prisons. I will be glad to show him around. I think he would benefit from learning the way our justice system works and that part of the purpose of the justice system is to rehabilitate offenders so when they are released they do not reoffend. We have had remarkable success, quite frankly, in that. The hon. member should be pointing out those successes and giving figures.

If the member looked at the day parole statistics, for example, and he talked about the evils of letting people out early in their sentence on day parole, he would find that over 95 per cent of them—possibly 98 per cent but I do not have my little book here to recite the figures for him—or more are successful. It is a very successful program. It works and it helps reintegrate inmates into the community which is important for the long term development of our communities. We just cannot spring somebody at the end of a 20–year sentence and expect them to readjust to life outside. People lead a different life in there.

• (1230)

I am not saying that incarceration is not necessary. It is in certain cases. However it is not necessary to lock everybody up for life which is what the Reform Party seems to be urging.

Will the hon. member take a tour of prisons in Kingston and learn something about our prison system before his next speech on the subject? I know the hon. member for Wild Rose has done that. I congratulate him for it but obviously it did not work.

Finally, with respect to his own points, will he admit that what he was proposing would drastically increase costs for our prison system and greatly increase sentences for offenders in Canada?

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, I would like to bring the hon. member back for a reality check.

I used to be a correctional officer and I also worked for seven years in both adult and young offender jails. I have a little experience on these issues.

If the hon. member wants to cut costs, I will give him a concrete way to cut hundreds of millions of dollars from the budget every year. One–third of all individuals incarcerated today are there for non–payment of fines. Those are the facts.

Mr. Milliken: Nonsense. Not in federal prisons.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, these individuals should not be in jail. The people who should be incarcerated are those who have proven to be a threat to society, who have victimized innocent civilians, usually in a violent fashion.

There is a trade–off here. Should we save money by discharging people into the community who would pose a threat to society, or should we tell the Canadian public that its rights and safety are the most important things? I believe everyone in the House would think the latter. The member's point with respect to saving money is perfectly valid and I have given him a very concrete reason for doing this.

He mentioned that I did not know anything about the costs. It is $60,000 a year for an inmate in a federal penitentiary and $90,000 for a youth in a young offender institution. That is too much money.

We have been presenting solutions on how to get inmates to work for their keep which in turn would cut costs. Again we must get those individuals who are violent offenders and who might be a threat to society and those who are incarcerated for non–payment of fines to work for their keep.

Another thing the hon. member mentioned was recidivism rates. The recidivism rate is 33 per cent for adults on parole. What is the recidivism rate for adults once they are off parole? No one can give me those figures. One thing is for sure, it has to be higher than 33 per cent.

With regard to young offenders, the recidivism rate is 40 per cent to 50 per cent. Those are the facts. That number is far too great. Obviously a 40 per cent or 50 per cent recidivism rate does not serve society and it certainly does not serve the kids who are young offenders very well.

We have to find a better way. I hope the hon. member will look at some of the concrete suggestions I have made which do not necessarily need to cost more if they are organized properly. I know members in this party would be happy to help anyone on the other side to make our justice system better for all Canadians.

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I would like to follow up on the question raised and the answer given by the hon. member.

First, people are not in federal penitentiaries for non–payment of fines. It is important for people to fundamentally understand that and not to allow the red herring being thrown out by the Reform Party to confuse the issue.

Second, the member mentioned that he worked in the justice system with young offenders and adults for seven years. I have worked in that system and I also worked with young offenders, adults, victims and victims' groups for 20 years. The hon. member's example of not incarcerating people for their inability to pay fines was addressed in Bill C–41.

• (1235)

That is something the hon. member with his colleagues voted against. We on this side and the government supported it. It is important for people to understand that there is the option now where somebody does not get incarcerated because they are unable to pay a fine. If they refuse to do the alternative, then they get incarcerated. That is a correction which was made to the sentencing process and which was long overdue.

The member for Wild Rose, a member of the party who promised to do things differently, calls that socialism. I am amazed at the shallowness of the member's understanding on this very complicated issue.

There is a very important point to be made. I wish my colleague from the islands would put his mind to it that prisons are very expensive, federal penitentiaries being even more expensive.

Surely the people in prison should be relegated there because they are a danger to the community and are not able to follow the conditions of their probation or parole for other crimes. Surely the member would agree that prisons should be reserved first and foremost for the small numbers who are a threat to public safety and second for those people who are given alternative options, say, for a property offence and not making restitution, not following the probation order then of course one cannot do much else but enforce the law that way.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, I am very happy the hon. member agrees with us. I hope he crosses the floor on this bill.

We believe individuals in a federal penitentiary should be those who pose a threat to society. There are many ways one can argue a threat. There are threats in terms of violence and also threats in terms of those individuals who wilfully cause damage in other fashions to individuals. It is not only individuals who have been incarcerated for violent offences.

I hope the hon. member will work with us in devising new and innovative ways in which we can actually decrease the costs by not necessarily having individuals incarcerated in expensive, closed custody, federal penitentiaries. We want new ways in which we can send a clear message of deterrence to criminals, make sure that there is a penalty for individuals who are committing an offence, to deal with the issue we have been trying to deal with in trying to garner some restitution for the victims and the state, and ensure that individuals will not continue to reoffend.

We can identify the reasons why they reoffend, address those reasons and provide individuals with the ability and wherewithal to become a productive employed member of society. If we work together on these issues, we will make Canada a safer place.

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, I rise in the House today at third reading of Bill C–45 to address the principles, objectives and effects of the legislative changes proposed by Bill C–45.

From the outset, let the record show that the people of my riding of Central Nova support the principles and objectives of Bill C–45. My constituents appreciate the government's response to the legitimate concerns of all Canadians who are demanding a higher standard of public protection from high risk, violent offenders.

The proposed government reforms as set forth in Bill C–45 will restore public confidence, close gaps in the corrections system and respond directly to identified shortcomings in our present system to give further protection to our children.

• (1240)

The legislative changes introduced in Bill C–45 require amendments to the Corrections and Conditional Release Act, the Criminal Code of Canada, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act. The legislative changes in Bill C–45 are clearly in the best interests of all Canadians.

In my riding of Central Nova, many constituents, the police, parents, the public at large and organizations, including the newly formed organization of Child Safe of Pictou County, have raised time and time again legitimate concerns regarding sex offences against children. The purpose of Child Safe of Pictou County is to educate the public, to promote a sexual abuse free environment for children and to enhance the services for sexually abused children. These services are provided by an organization that certainly has the best interests of our children at heart. Therefore they applaud this legislation.

For the information of my constituents, Bill C–45 introduces legislative provisions that will make it easier to detain sex offenders who victimize children in penitentiary until the end of their sentences by removing the requirement that serious harm must be established as a criterion for detention in these cases.

Let me emphasize the government recognizes that all sexual offences are serious. The current Corrections and Conditional Release Act already authorizes the National Parole Board to detain offenders beyond the normal statutory release point if they are considered likely to commit an offence causing death or serious harm before the end of their sentence.

The vulnerability of individual victims is an important consideration in any release or detention decision. However the effectiveness of current legislation is limited because the serious harm criterion is difficult to establish in cases involving children.

Experience has shown that unlike cases involving adult victims, it is often difficult to establish serious harm where the child victim must provide the evidence because often the child cannot articulate the personal impact of the experience. Further, research has shown that the impact of such a crime on a child may not always become evident until many years later.

The legislative changes in Bill C–45 are in keeping with the government's desire to improve the protection of our children from high risk violent offenders and sex offenders. Bill C–45, in its treatment of the definition of serious harm for sex offences against children, will require the National Parole Board only to establish that a sex offence was committed which victimized a child and that a further sexual offence against a child is likely to be committed after release. This legislative change is long overdue and is welcomed by our Canadian families which hold sacred the security and protection of the person of all children in our country of Canada.

In addition to the prolonged detention of sex offenders and high risk violent offenders the government has introduced a legislative change to enhance and expand treatment programs for child sex offenders while in penitentiary. Correctional Service Canada presently carries out institutional treatment for sex offenders but resources are limited. The introduction of additional resources would strengthen treatment programs and are intended to improve public safety.

Speaking of public safety, in my capacity as member of Parliament I had the opportunity in May to visit the maximum security penitentiary in Renous, New Brunswick. For those who are familiar with this institution, it was here in May 1989 that Allan Legere escaped custody, committed four murders in the community and was then recaptured in November 1989. This was certainly a tragedy for that community.

Since 1989 considerable improvements have been made to this maximum security facility. The present warden, Mr. Jon Klaus, provided me with an opportunity to meet the correctional services staff, to visit with inmates and to see firsthand the maximum security institution. I was impressed with the high level of security and the latest surveillance technology being utilized at that facility.

• (1245)

The penitentiary concentrated on rehabilitation, upgrading, training, counselling, and there was segregation of high risk violent offenders from the other inmates. There is no question about it, Renous is a maximum security penitentiary that is state of the art. It provides the inmates with comfort, security, and every opportunity to rehabilitate their criminal behaviour. At the same time, it exists to protect the public from high risk offenders.

The criminal justice system and the penal correction system are interrelated. The general public must come to understand that it is the judiciary that has judicial discretion to impose sentences upon high risk and dangerous offenders, while Correctional Service Canada and its officials and staff are charged with the custody and rehabilitation of the high risk violent offenders while incarcerated. Then it is the National Parole Board that has the authority to release these offenders from detention.

The success of our criminal justice system and our penal correction system does not primarily rely on legislation. The fundamental success of our criminal justice system relies on the ability of man to administer justice without abuse of authority and power and the ability of man to administer justice coupled with equity and mercy.

Justice, law and morality are inseparable. If a moral society existed there would be no need for criminal sanction. It is a requirement of this criminal sanction in our society that necessitates this government to deter, to punish, to rehabilitate its members of society.

It is the human element that determines the success or failure of our criminal justice system and our penal correction system. The human element includes ourselves as individuals who are expected to be law–abiding citizens; the community at large, which develops public opinion; the role of our law enforcers, which is to enforce law; the role of our prosecutors administering justice within the system; the role of defence counsel defending and protecting the rights of the accused; the role of the judiciary rendering a decision; the role of our probation officers, psychologists, social workers, health care professionals, penal institution employees, our clergymen regarding the rehabilitation of the accused; and the role of us here today, the legislators enacting the law.

In my 18 years of practice as a litigation lawyer I have experienced firsthand the oppression, manipulation, and abuse of many people arising from the abuse of power, abuse of authority, and abuse of the process within the systems of government. These abuses I am referring to not only are in relation to the victims of crimes, but also in many cases the accused defendant as well.

It can be legitimately argued that the system of government is not working as it should. The legislative, the executive, and the judicial branches of government require reform from time to time to ensure justice and equity are meted out to all Canadians.

With respect to the legislative branch of government, it is time we as legislators put responsibility and morality back into the law. Justice, law and morality go hand in hand. They are inseparable.

With respect to the executive branch of government, which administers the law, it is time to diminish the authority, power, and discretion of the bureaucracy and make it more accountable for decisions and attitudes that affect individual Canadians.

With respect to the judicial branch of government, which interprets and enforces the law, it is time that consideration be given to electing our judiciary. The people must live with the decisions of courts. Therefore, it is time we give consideration to electing those who make these decisions.

• (1250)

Constituents of Central Nova have also raised the issue concerning the jurisdiction, power, and authority of the National Parole Board, an administrative tribunal with immense power and authority in relation to our high risk offenders. It is submitted that the government should seriously give consideration to ensuring maximum public input in the selection process of the National Parole Board members and that this selection process should be opened to public scrutiny. This legislation is not intended to address this issue.

Bill C–45 does establish a mechanism for the discipline of the National Parole Board members. The Corrections and Conditional Release Act is to be amended to allow the chairperson of the National Parole Board to report situations to the solicitor general that cause concern about the appropriateness of a board member's conduct or performance. Then if the minister agrees, a judge will conduct an inquiry focusing on whether the board member had met the responsibilities of the position. Grounds for the inquiry include incapacitation, misconduct, failure to execute duties, and being placed in a position incompatible with the execution of the member's duties. A judge could recommend that a member be suspended without pay, be removed from office, or he could recommend other remedial measures. This recommendation would be put before the governor in council.

The proposed mechanism will be modelled on a process found in the Immigration Act for the Immigration and Refugee Board. This enhanced accountability will be supported by increased training for the National Parole Board members in risk assessment and management of high risk sex and violent offenders.

Presently it should be noted that there is no formal mechanism for the discipline or removal from office of any National Parole Board member in specified circumstances. Therefore, Bill C–45 is implementing legislation that is necessary in Canada today.

It is respectfully submitted that this discipline mechanism is imperative. However, it is further submitted that until a procedure for appointments to the National Parole Board is subject to maximum input from the general public at large in the selection process of appointees, there will be continued problems and a continual public outcry for the decisions that are being made by the National Parole Board. Likewise, it is submitted that it is time we give consideration that our judiciary—the decision makers, the interpreters of law, the imposers of sentences after conviction—should be elected to their positions by the public at large.

I further support the additional legislative proposals in Bill C–45 and in particular the legislative change that will modify the system of sentence calculation to ensure that all offenders on conditional release who receive new custodial sentences are returned to custody and that all offenders serve at least one–third of a new consecutive sentence before being eligible to be considered for release.

In addition, I support Bill C–45's expansion of the list of offences for which an offender could be referred for detention until the end of sentence. These offences would include serious drinking and driving and criminal negligence offences that result in bodily harm or death, criminal harassment, also known as stalking, and conspiracy to commit serious drug offences.

A further legislative proposal in Bill C–45 I support is to broaden the authority of Correctional Service Canada to make deductions from an offender's income to help offset a portion of an offender's room and board costs.

It is without question that the positive changes proposed to be implemented in Bill C–45 have my support and the support of my constituents. I am urging all hon. colleagues to lend their support at third reading to Bill C–45.

• (1255)

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I was pleased to hear that speech. I was pleased especially because the hon. member kept referring to the fact that her constituents were in support of the bill. We do not hear that very often from that side of the House, so I appreciate hearing it. That is what it is all about.

The hon. member suggested that we ought to consider electing judges. I wonder if she might expound on that a bit more. Should it possibly go further and apply to other positions in the government that are traditionally appointed positions?

Ms. Skoke: Mr. Speaker, it is certainly not the first time I have raised the issue in the House of giving serious consideration to the election of our judiciary.

I realize that appointment of our judiciary from our barrister societies and from our law profession across the country has been the tradition. However, I am calling on the government to give serious consideration to the fact that the responsibility the judiciary has is very important. Over the last two years that I have been in the House of Commons we have seen the effect judicial decisions have on what we enact in law and how we respond to the precedents they set.

Also, we understand that the role of the judiciary is not only to enforce the law as it comes before them, but to interpret the law. Those judges are in positions of trust and their decisions affect the daily lives of individuals. In my mind, I feel it is imperative that we move forward and take the necessary steps to ensure that our judiciary is elected by the public at large.

With respect to administrative tribunals and appointments to boards, I have some reservations with respect to board appointments and the selection process and also the functions of those boards. That is due to the fact that administrative tribunals do have a judicial function and a role to play in the country, and an appeal of the decisions administrative tribunals make is very difficult. Appeals can only be made in the event there is an error in law on the face of the record. Therefore, they are primarily predicated on ensuring that natural justice takes place at the board level. It goes without saying that the appointments to the boards are of crucial importance to our country.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, when I came to the House I had strong hopes that I could support legislation that was moving in the right direction. Bill C–45, I admit, does just that.

I would like to be able to vote for the bill. I would like to be able to stand in the House and say the government is doing an excellent job with Bill C–45. However, like my colleague from Esquimalt—Juan de Fuca, I look at the bill from a slightly different perspective.

I do not want to talk about myself, so let me talk about the hon. member for Esquimalt—Juan de Fuca. As was mentioned in his answer, he is an individual who has had experience in the prison system. He served for some seven years as an officer and dealt directly with criminals. He also has had occasion in his life to be on the receiving end of the results of violence. He has dealt with raped kids. He has dealt with lacerations. He has dealt with gunshot wounds. He has dealt with body bags. He has served in an emergency department of a very busy community hospital. He has consequently dealt more with victims than I think most individuals have. I am afraid he approaches this bill with that perspective: Does it go far enough for victims?

• (1300)

I do not think it does and I am going to reflect on a couple of very specific parts of the bill. The first part is how sexual offenders are treated under the bill. It attempts to improve the

sentencing for sexual offenders. It takes a child who has been sexually assaulted and gives the offender, because when it is a child harm does not have to be proven but presumed, the full sentence. I say great. How could a physician argue with a full sentence for a sexual assault on a child? Great.

However, it goes on to state that an adult who is sexually assaulted and has serious harm must prove the harm. That is wrong. There is no serious sexual assault committed on a man or a woman that does not have serious harm.

In my own practice I had a 47–year old woman who originally came from South Africa. She had problems in her life: depression, anxieties, suicidal impulses, a host of serious problems. She had unhappiness in her marriage and had actually attempted suicide at one point in her life. Over a fairly long period of counselling with this lovely, sweet woman, her story was told. It came out in a way that is difficult to describe publicly, but she told how how she had been sexually assaulted in her youth by a member of her family. She had been unable throughout her life to ever divulge that to anyone. With tears streaming down her cheeks, with anguish in her heart, shaking and miserable, she divulged that to me.

What had that done to her, that one single episode of sexual assault in her life? She had frigidity in her marriage. She was unable to respond properly to affection. She was distant to her male children. She could not get close to her boys. She was fine with her little girl who she gave love and affection, but she could never ever respond properly to her boys, the children she bore.

I mentioned the depression and the anxiety. The end result was a broken marriage. She never got over that assault. That proves to me that a sexual assault on a child is devastating.

I have also had the opportunity, over and over again, to deal with sexual assault on young women and young men. It is not commonly known that sexual assault takes place against young men as well. There is not one single instance in any of those assaults that the assaults were harmless.

To have to prove harm when sexually assaulted is wrong. There is no excuse and no reason to have to prove physical harm, none.

The second issue in this bill is the way drunken driving is handled. I am a teetotaller. I do not drink. I am a fellow who believes alcohol can have harmful effects. Many of my chums have a beer or two and do not have a problem. However, drunken driving is considered to be a very serious problem in our society. Damage to someone when drunk is treated with vigour.

• (1305)

This bill says that serious injury due to drunken driving demands the full sentence. It will come down hard on those individuals that drive when they are drunk and hurt someone. However, an adult woman hurt seriously by a pervert once again has to prove harm with no necessity of a full sentence. There is an inconsistency in this law in this regard.

On one hand we have a premeditated perverted act. On the other hand we have a disease. Surely we understand that alcohol and the problems with alcohol are treatable and can be righted. On the other hand, we have perversion that generally cannot be treated.

There is a medical treatment for sexual perverts which is very specific. However, in our society we do not contemplate castration for a sexual pervert. I also want to bring to the attention of members and those who are watching that even if an individual who has a sexual perversion decides he wants to be surgically or medically castrated, he cannot.

There was a recent case of a sexual criminal in Quebec. He said: "I know that I am going to reoffend". He requested of his physician to have those impulses taken away. He said: "I want to have my hormones changed so this will no longer be the case". Not a chance; it cannot be done. Human rights activists come along and say he cannot even make such a decision on his own.

I believe in our society. We have constantly talked about not having solutions for problems. I raise this specifically as a solution for certain sexual crimes for certain sexual criminals. It is quite possible to make a little incision and inject a tiny amount of medication repetitively in the arm of an individual who has these sexual problems and stop the perversion. Give protection to our children. Give protection to our mothers and yes, protection to our sons.

I have another specific solution. I have heard from a number of members opposite that Reformers would like to throw everybody in the clink and toss away the key. There are a number of young offenders that do not need incarceration of any kind.

In my own community I asked practical, solid citizens: "What would you do to prevent a youngster from recreating their criminal behaviour". I am going to propose an idea that has come to me from these sensible common folk. They do not want to give these young people a job that will take work out of the workforce. They want to give them a job that is hard physically but does not take work and money from somebody that has done nothing wrong. What sort of a job is there like that? The job they came up with is rock picking.

I live in an area where there has been a little glacial activity. Every time the farmers in my community plough up their fields they turn up a new bed of rocks. Young men and women that have done wrong should be rock pickers. They should go through the fields, pick the rocks, pile them on the side. Nice rocks might be usable by a mason for fireplaces. The next year the farmer ploughs the fields up again and guess what? More rocks appear. There are not too many people who want to pick rock. There are not too many people who need to pick rock. This

is a project for youngsters to teach them—a bit of the boot camp idea—hard work, discipline and a useful job.

• (1310)

In my part of the community we freeze in the winter and rock picking does not work well then. I have other ideas about what they could do in the winter but I will stop there.

There is one more solution for victims. Remember that I come down harsh on the criminal and really easy on the victim. This bill does not do that. Thirty per cent of a prisoner's income going to treatment of victims would do a lot for a women such as I described. She could not afford a psychologist. She could not afford to do anything but go to her family physician for counselling. Time and space are very limited for that. She could well have been helped by restitution from the person who harmed her. These solutions would improve the bill.

I have listened to members opposite say: "You do not like everything in the bill. It is going on the right direction. Support it". I ask members opposite, how did they vote when this exact same bill came before the last Parliament? The record shows they voted against the law and order bill that was presented by the Tories. Reformers are saying this is a bill moving in the right direction, some parts of it flawed, some parts fair.

We are saying to the Canadian public as plainly as we can, until the rights of the victims are placed well above the rights of the perverts and the criminals there will never be satisfaction with our justice system.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

An hon. member: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

An hon. member: On division.

The Acting Speaker (Mr. Kilger): Motion carried on division.

(Bill read the third time and passed.)

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• (1315)

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from September 26 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): I remind the House as we resume debate on Bill C–94 that we are at the stage of debate during which members have a maximum of 10 minutes without questions and comments.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am proud today to speak on Bill C–94, the manganese based fuel additives act. This bill is intended to prohibit the importation and interprovincial trade of MMT, a manganese based additive to unleaded gasoline. The law will take effect 60 days after royal assent.

Canada is the only country in the world using MMT. The United States banned MMT in 1978. Only Bulgaria and Argentina are considering using MMT.

Environment Canada has received and reviewed study after study of the effects of MMT on this equipment. I agree with our Deputy Prime Minister and with Ford, Chrysler, General Motors, Toyota, Honda, Nissan, BMW, Volkswagen, Volvo, the list goes on, that MMT adversely affects the sophisticated onboard diagnostic systems where the pollution control equipment is found.

These systems are extremely important for the environment. They are responsible for monitoring the vehicle's emission controls and for alerting the driver to malfunctions. They ensure the cleaner burning engines of today and tomorrow operate as designed. They ensure automobiles are properly maintained resulting in decreased tailpipe emissions and improved fuel economy. Therefore this is a very important technology. It is even more important that it works and that it does its job. We will make sure it does.

To ensure this technology works it must be free from MMT. OBD systems are designed to monitor the performance of pollution control systems, in particular the catalysts, and alert the driver to malfunctions. If the OBD system is not functioning because of MMT and if the catalyst is not working at all, tailpipe emissions could be increased up to 40 times.

The third party has suggested that MMT reduces NOx emissions by 20 per cent. However this reduction is based on data

collected by Ethyl from test cars. When examined in the context of the current Canadian fleet, Environment Canada analysis indicates that NOx reduction would only be 5 per cent.

The third party has asked why the minister did not try to negotiate an agreement between the two parties. I can assure the House the government has been working since 1985 to broker a solution. Senior departmental officials from environment, transport, industry and natural resources have worked with senior representatives from the petroleum and automotive industries for several years in an effort to resolve this issue.

More recently the Deputy Prime Minister attempted to negotiate an agreement between these industries. She met with representatives of the petroleum industry on two separate occasions. The Deputy Prime Minister was prepared to support the introduction of a green pump containing MMT free fuel in an effort to resolve this issue. The petroleum industry rejected this approach.

It is now time to act. If we do not act now then the federal government's vehicle emission reduction programs will be in jeopardy. We risk missing out on major reductions in smog, carbon monoxide and hydrocarbons. If we do not act now, Canadian consumers will be prevented from taking advantage of state of the art emissions reduction technologies simply because they do not have access to MMT free gasoline.

If we do not act now, we could face a situation where automakers will be forced to turn off the diagnostic systems scheduled for 1996 models because of the damage MMT causes. General Motors is already bringing models off the assembly line with some of the onboard diagnostic functions disconnected. GM, like others, is no longer prepared to assume the increased warranty risks for damage caused to pollution control equipment.

• (1320)

In the end Canadian motorists will have to pay more to have their cars maintained because of this kind of industry action. We as a government will not let this happen. We will not allow the buck to be passed to the Canadian consumers. We will not allow anti–pollution equipment in Canada to be less effective than anti–pollution equipment in the United States. We will not allow the competitiveness of our auto industry to be threatened. We will not allow investment and the thousands of Canadian jobs which depend on this investment to be put in jeopardy.

Let us be clear. The job of reducing motor vehicle pollution can no longer be addressed just by the auto industry, the petroleum industry or the government. Progress at reducing vehicle pollution demands action by all.

The petroleum industry needs to keep making improvements in the composition and properties of the fuels the engines burn. The auto industry needs to keep making improvements in vehicle emissions control technologies such as those offered through onboard diagnostic systems.

Preventive action means producing goods more cleanly. It means using less energy and conserving our natural resources. It means developing and using the latest green technologies, like the emissions reduction technologies in today's cars and trucks.

This bill before the House is one measure of prevention. This bill is pro environment, pro consumer, pro business. Eighteen of Canada's automaking companies think we are doing the right thing. Canadians think we are doing the right thing.

MMT can no longer stand in the way of the progress we continue to make on vehicle emissions reduction and environmental protection. Let us protect jobs, protect investment, protect consumers and protect the environment. Let us make Canada the last country in the world to use MMT.

[*Translation*]

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more that five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

• (1325)

[*English*]

And the bells having rung:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the division on the question now before the House stands deferred until Monday at 6 p.m. at which time the bells to call in the members will be sounded for not more than 15 minutes.

CULTURAL PROPERTY EXPORT AND IMPORT ACT

The House resumed from September 25 consideration of the motion that Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, be read the second time and referred to a committee; and of the amendment.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, it gives me great pleasure to speak on Bill C–93. As a background to this legislation, the purpose of the bill is to amend the Cultural Property Export and Import Act with consequential amendments to the Income Tax Act and the Tax Court of Canada Act, to establish an appeal of determination by the Canadian Cultural Property Export Review Board of the fair market value of certified cultural properties.

Going back a little, in December 1991 the responsibility for determining the fair market value of cultural property donated to designated Canadian museums, art galleries and libraries was transferred from Revenue Canada Taxation to the review board. The review board assumed this new responsibility at a meeting which was held sometime in January 1992.

There was no provision for appeal of review board decisions included in the legislative amendment despite the fact that the right of appeal existed when this responsibility was with Revenue Canada.

• (1330)

Donors and custodial institutions expressed serious concern about the lack of an appeal mechanism. As a result the Department of Canadian Heritage, in co–operation with the review board, undertook a series of consultations with the community about the need for an appeal process. As a result of these consultations it was agreed that a legislative amendment should be prepared to establish the right of appeal to the Tax Court of Canada.

The bill gives a donor or a custodial institution the right to request that the review board reconsider its initial determination of fair market value. If after receiving a redetermination from the board the donor is still not satisfied, he or she may take the second step of appealing the board decision to the Tax Court of Canada.

There are a number of items in the legislation I would like to share with my colleagues. The Cultural Property Export and Import Act provides tax benefits to encourage donations to public institutions of objects and collections of outstanding significance and national importance.

It is the only program of the Government of Canada that provides financial support through tax credits for donations to museums, art galleries, archives and libraries. Museums, art galleries, archives and libraries in every province and territory of Canada will benefit through the receipt of donations of cultural property as a result of the tax credits.

Cultural property valued at approximately $60 million is donated to Canadian institutions each year. The fair market value of cultural property certified by the review board as a result of the legislation will become eligible for a tax credit of 17 per cent on the first $200 and 29 per cent on the balance if it is over $200.

The donor can claim the fair market value of the gift up to the total amount of his or her net income, and there is no tax payable on any capital gain resulting from the gift. There is a cap and the cap is the total income of the individual on an annual basis.

Because a donor receives a tax credit the amount of money realized as a result of the donation is approximately 50 per cent of the fair market value. The donor does not therefore receive a tax refund equivalent to the fair market value of the gift.

Donors, museums, art galleries and professional associations have been lobbying for the right to appeal review board decisions as it was perceived that the lack of an appeal was a denial of natural justice. To that end the government has taken action.

The establishment of an appeal should be viewed as a reinstatement of the right of appeal that was lost when the responsibility for determining fair market value was transferred to the review board back in 1991. The amendments will ensure that donors who disagree with determinations of the review board will have the right of appeal to the court and will not be denied natural justice.

The announcement of the establishment of an appeal process was received positively by donors, museums, art dealers and the media. These amendments therefore enjoy a high level of public support.

• (1335)

The amendments are technical in nature and respond to strong concerns expressed by the heritage community. Their passage into law should be seen as part of the ongoing commitment of the Government of Canada to ensure the preservation of Canadian heritage.

Bill C–93 has dealt with all the concerns in communities and all wishes of different art galleries, museums, libraries and similar institutions. All those concerns have been studied and legislation that responds to them in a positive way has been brought forward.

It is a perfect example that the government is willing to listen to the concerns of the people, that the government is willing to take action, and that the government has taken action on an issue of national importance and of great concern to the art community of Canada.

I congratulate all those who have made representations to the Department of Canadian Heritage, my colleagues in the House of Commons, the committees and the administration through direct communication. I also thank all those who worked tirelessly to ensure the legislation would come before the House in a timely fashion.

I am sure my colleagues on both sides of the House will stand to speak in support of the great initiative taken by the department of heritage. We truly believe that if somebody is willing to do good and give to a national institution such as a gallery, a library or a museum, the individual deserves the right to be recognized and to be given an incentive.

This is why we made provision in the legislation to give a tax credit for any Canadian citizen, or for that matter a landed immigrant in Canada, who might have something of national significance to give as a gift to the crown. The individual will be given a tax credit of up to 17 per cent if the gift is worth less than $200 and up to 29 per cent of his or her annual income. I think that is fair. I call on people from coast to coast to coast who might have valuable items to consider giving them to museums and so forth.

Some of my colleagues might have some points to make. This would be a most opportune time to put their points on the table so that we can deal with the legislation in a timely manner.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to rise to support the bill, an act to amend the Cultural Property Export and Import Act.

Some hon. members: Oh, oh.

Mr. Milliken: Hon. members opposite find this act a bit of a joke. I am sorry they think so. It is sad that they have moved amendments to delay adoption of the bill in the House. This surprises me because it shows they really do not care about Canada's cultural community with which the bill deals. If hon. members opposite gave two hoots about Canada's cultural community, they would not have moved all the amendments.

I will read the amendment moved by the hon. member for Medicine Hat. I believe it is the second or third one; I have lost count. The amendment reads:

> That this House declines to give second reading to Bill C-93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, since it fails to address the issue of the burden the tax credit system places on middle class taxpayers who are asked to pay for a potentially endless stream of donations of questionable cultural and artistic value claimed by wealthy Canadians.

• (1340)

The amendments shows a complete disregard for Canada's cultural community because it says that the work of Canadian artists is worthless, that the acquisitions of art by Canadians are worthless, and that these are "donations of questionable cultural and artistic value". That is what Reform Party members are saying. Those are the very words of their motion. That is what they are saying to Canadian artists and philanthropists involved in supporting Canada's artistic community. It is a disgrace.

My hon. friend for Ottawa Centre will appreciate that I had occasion to go to Alberta in July of this year. One place I visited was the Tyrrell museum in Drumheller. There are a lot of dinosaurs in that museum and I can say that the resemblance between some of the dinosaurs there and members of the Reform Party was absolutely striking. I could tell where their ancestors came from.

I was very impressed with the Tyrrell museum. It is one of Canada's cultural centres. It has an excellent collection. I enjoyed my visit immensely. I took a tour of the entire museum and I saw the workings of the very specialized people involved in the digs.

Some hon. members: Oh, oh.

Mr. Milliken: Hon. members opposite seem to be regarding this as bit of a joke. I do not find anything particularly funny about a tour of Canada's cultural industries. Hon. members opposite talk about deficit reduction and they forget that Canada's culture contributes mightily to our economy. They do not pay any attention to the fact that people spend billions of dollars a year attending artistic events, concerts of all kinds.

These are the artists the bill is designed to assist. The bill promotes artistry and culture in Canada, and hon. members opposite are opposed to it. They keep moving amendments to delay its passage. Why are they opposed to it?

Surely the member who represents Drumheller and sits on that side of the House is aware of the museum and its value in his community. It is a big drawing card for Drumheller. I have no doubt the bill will assist the museum in some of its work. Yet hon. members opposite attack the bill.

What about the famous museums in Calgary? The city of Calgary is burdened with Reform representation in the House. These people cannot represent. Unfortunately, with no adequate representation in the House, members from Calgary are failing their very famous museum in Calgary, the Glenbow museum. I have been to it.

Hon. members opposite laugh and treat it as a cavalier matter when that museum is a major drawing card for the city of Calgary. The museum attracts tourists to Calgary to see the art and the other exhibits. Hon. members opposite should be ashamed of their mocking of Canada's cultural industries.

What are the objectives of this very important piece of legislation? The bill amends the Cultural Property Export and Import Act and related legislation to establish a process to

appeal decisions by the Canadian Cultural Property Export Review Board on the fair market value of certified cultural property. That is a significant change and it is not all for the benefit of the wealthy.

Deals work both ways. The minister can also appeal if he thinks the valuation is wrong. Hon. members opposite fail to mention that in their amendments and in their speeches. Their only reason for doing so is that they are out to kill Canada's cultural industries.

In the 1990 federal budget responsibility for determining the fair market value of cultural property donated to designated Canadian museums, art galleries and libraries was transferred from Revenue Canada to the review board. No provision for appeal of review board decisions was included in those amendments, despite the fact the right of appeal existed when the responsibility was with Revenue Canada. In other words, we are trying to get some fairness back in the system, fairness not just for the donor but also for the Government of Canada, which has a right of appeal in these cases.

• (1345)

Donors and custodial institutions have expressed serious concern about this lack of appeal process. It led the Department of Canadian Heritage, ably led by the hon. Minister of Canadian Heritage, in co-operation with the review board, to undertake a series of consultations with the community, which has resulted in this bill.

Hon. members opposite think this bill was an idea conceived by the government acting on its own. Nothing can be further from the truth. As usual, the government consulted extensively with Canadians and came up with a process that is fair and reasonable. Accordingly, these amendments were prepared. There is a right of appeal established by this bill to the Tax Court of Canada. The creation of the appeal process is a reinstatement of a right of appeal lost in 1991 and a means of ensuring that there is no denial of natural justice.

I know the words "natural justice" must be something difficult for members opposite to understand. We have been listening to them this morning talk about Bill C-45 and sentencing. Their notion of justice is wildly different from the notion of most other people in this country. The hon. member for Vancouver Quadra may have missed that part of the speech. I expect he was in committee this morning. All they want to do is lock people up and throw away the key. We heard about that.

Unfortunately I missed the hon. member for Wild Rose's speech too. I understand it was a real blockbuster. As usual, it was the kind of speech that involves locking people up and throwing away the key. It is not a useful contribution, in my view, to the administration of justice or to the rehabilitation of offenders that we are all seeking.

I want to return, as return I must, to Bill C-93, which after all is the subject of my remarks this afternoon.

The government is committed to improving the collections of all Canadian cultural institutions through a combination of import controls to retain cultural property in Canada and tax incentives to encourage donations to designated institutions. This approach to cultural property preservation is acknowledged internationally as a model for other countries to follow. Canada is a world leader in that regard.

When I was at the Tyrrell museum in Drumheller—and hon. members opposite ought to be supporting these institutions instead of tearing them down—I discovered there was a rule in Alberta prohibiting the export of fossils from Alberta. They could not be removed from the province. Hon. members opposite should be aware that kind of cultural legislation exists, not just at the federal level but also at the provincial level.

In making it easier for individuals to appeal rulings and valuations to the tax court, the government is demonstrating its commitment to allow Canadians efficient access to the judicial system to challenge the decisions of government boards. This has been the policy of the government for many years. The policy of this party has been to favour fairness in treatment for all.

We have striven for fairness in many ways. That has been evident in most of the legislation that has been introduced in this House, including the legislation that was debated so vigorously this morning, which hon. members dumped on because they wanted to lock people up and throw away the key.

The Bloc Quebecois, on the other hand, has been relatively silent today. I congratulate the hon. member for Longueuil—

[*Translation*]

The hon. member has indicated he does not want me to refer to what was said by members of his party about this bill. But I must, because they always argue that the province of Quebec does not receive enough funding for culture in this country. They are wrong. The hon. member knows perfectly well that the province of Quebec receives more—

Mr. Gagnon: More than its share.

Mr. Milliken: —more than its share. Exactly. I thank the hon. member for Bonaventure—Îles-de-la-Madeleine for his assistance.

[*English*]

In any event, although Quebec makes up only 25 per cent of the Canadian population—it is a significant percentage and I should not say only—an average of 36 per cent of federal funds for cultural organizations were distributed in Quebec.

Mr. Gagnon: Could we hear that in French?

[*Translation*]

Mr. Milliken: Perhaps I could repeat it in French.

Mr. Gagnon: Yes, they would appreciate that.

• (1350)

[*English*]

Mr. Milliken: Thirty–six per cent of federal funds for cultural institutions were distributed in Quebec, including 37 per cent of the funds for Telefilm Canada, 40 per cent of the National Film Board funds, and 37 per cent of the funds for CBC. Let me perhaps repeat that.

[*Translation*]

My translation is not perfect. Although the province of Quebec represents only 25 per cent of the population, 36 per cent of federal funding for cultural organizations was distributed in this province, including 37 per cent for Telefilm Canada, 40 per cent for the National Film Board and 37 per cent for Radio–Canada. Imagine!

If these figures are accurate, the hon. member has no reason to argue in this House that there is a problem with what the federal government does about culture in the province of Quebec.

I realize that the hon. member for Témiscamingue, who chairs one of the organizing committees for the referendum in the province of Quebec and probably has quite a few problems on his plate right now, has his own views on the subject. If there are any museums in his riding, he should talk to his friends in the Reform Party who want to kill these museums. He probably wants to support them. If there is a museum, it will certainly get a lot of money from the federal government, because of the huge amounts the government is spending in his province.

[*English*]

I urge the hon. member to recant his heresy, abandon the idea of separation, and jump on the bandwagon so that he can keep receiving all these benefits the museums in his constituency receive from the Government of Canada.

The Leader of the Opposition, and I thank the member for Ottawa West for reminding me of this statement, declared before the Bélanger–Campeau commission:

[*Translation*]

"One of the splendid achievements of the Canadian dream was the Canadian Broadcasting Corporation. We all know that our cultural roots developed largely thanks to and under the aegis of those cultural titans who worked at the CBC".

[*English*]

The Leader of the Oppostion and the premier of Quebec are henchmen in leading the parade for the yes vote in Quebec. If he acknowledges that Canada has contributed so greatly, surely he ought to acknowledge that a little more often during the referendum debate. I have not heard him speaking on that subject. I do not understand it.

Since the hon. member for Témiscamingue is here and hearing this, perhaps when he next speaks with his leader he could remind him of this statement and of the tremendous support Canada gives to cultural industries in Quebec and indeed elsewhere in the country.

We in this party are proud to support Canada's cultural industries.

Mr. Strahl: Let me wipe my tears.

Mr. Milliken: The hon. member says he is about to break into tears. I can understand that because his party seems hell bent on the destruction of Canada's cultural industries.

I am delighted that so many of my colleagues are here to show their support for Canada's cultural industries. I know the hon. member for Halifax attends cultural events in her community on a regular basis. She goes to concerts, to museums, to art galleries, and all these great things in Halifax. The hon. member for Ottawa West visits cultural events in this community. The hon. member for Windsor—St. Clair visits cultural events in her community. The hon. member for Saskatoon visits all kinds of cultural events and sites in his beautiful city of Saskatoon.

This country is covered with excellent cultural facilities and has a tremendous number of very gifted artists. Hon. members in the Reform Party should be ashamed that they are trying to destroy that cultural heritage.

Hon. members opposite may have received recently a diskette of the Juno award winners in Canada. Hon. members should realize that this kind of bill can assist organizations that are distributing this kind of material in our country and promoting Canadian artists here and abroad. These are all part of the policies of the government that are supported by this Bill C–93.

• (1355)

I urge hon. members opposite to abandon their position, support this bill, and let us get it passed.

The Speaker: We have time for a very brief question and comment. The hon. member for Windsor—St. Clair.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, if in two years or so some Liberals, perhaps under the leadership of the Prime Minister, were to travel to Wild Rose country, where there have been some sightings of dinosaurs, and

sneak up behind a couple of them and knock them off and then try to donate them to a museum, how would this act work to allow us to have a tax credit for knocking off dinosaurs in Wild Rose country?

Mr. Milliken: Mr. Speaker, I am pleased to attempt to answer the hon. member's question.

I do not claim to be an expert on the bill. Whether the bill would assist in knocking off dinosaurs, I do not know. One thing that will help will be the vote on this bill. If hon. members opposite vote against it, I am sure the electors in their constituencies will want to do their best to knock them off in the next election. We will look forward to that.

The Speaker: It being almost 2 p.m., we will proceed to Statements by Members and hope the topics will be more up to date than the dinosaurs.

STATEMENTS BY MEMBERS

[*English*]

AIDS

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, AIDS is a problem we must all address. It has significant implications for public health, human rights, and impacts on our economy and our health and social service systems.

Our government recognizes the tragic nature of the disease and has allocated $203.5 million over the next five years for education and prevention initiatives, for research and monitoring, and to help people living with this disease. The people directly involved know that even this generous support will not be enough.

On October 1, for the first time the residents of the region of Peel will join others all across the country in walking to raise money for HIV and AIDS support, education, and awareness. I am sure all the members of Parliament will join me in wishing the participants the greatest possible success.

* * *

[*Translation*]

QUEBEC REFERENDUM

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, former Senator Arthur Tremblay has made it very clear he will vote yes in the upcoming referendum. From the very start, this senior civil servant of the modern Quebec state helped develop and put in place the vital tools Quebecers gave themselves in the early 1960s under Jean Lesage's vision of "Maîtres chez nous".

Hardened by his many years of experience and his knowledge of the workings of federal political machinery, Mr. Tremblay said it was no longer possible, within federalism as it exists, to recover the powers that Ottawa had taken on over the years and that the time has now come for Quebec to take charge of its destiny.

In Mr. Tremblay's words, if Quebec is to escape from trusteeship federalism and domination by a central government continually reinforced by the dynamics of the general powers it has given itself, sovereignty is the only option.

* * *

[*English*]

NEW BRUNSWICK GOVERNMENT

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, last week we were subjected to the gloating of government members over the re-election of Frank McKenna's Liberal government.

Of course those members forgot to mention that the way Mr. McKenna is running his province proves that he is no longer pursuing a Liberal agenda. In Halifax two weeks ago the upper management of two major corporations told me that doing business with Frank McKenna's government is like doing business with a private enterprise corporation. They also confirmed that Mr. McKenna seems to have abandoned the old style tax and spend dependency programs of the Liberals.

• (1400)

Clearly Mr. McKenna has joined the Reform wave that is washing Liberalism right out of provincial politics in every part of the country. Mr. McKenna is now running a Reform style government.

Government members rarely credit their constituents with any intelligence, but our side of the House can see that the Reform message has been clearly received and understood by the voters of New Brunswick. If only Liberal members at the federal level had the same degree of understanding.

* * *

PAGES

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Mr. Speaker, I rise today to welcome the pages to the House of Commons for this 1995-96 session. In particular, I extend a warm welcome to Nadine Nickner, a constituent of mine from the beautiful city of Timmins in the riding of Timmins—Chapleau.

These young men and women from all parts of our united and strong Canada will assist us while we debate the laws of Canada.

* * *

BOOK AND MAGAZINE FAIR

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, on Sunday, September 24, the sixth annual Word on the Street book and magazine fair was held on Queen Street West in my riding of Trinity—Spadina.

It is not only a celebration of the very best in Canadian writing, but it also draws our attention to the importance of literacy by promoting reading, writing and learning.

Last year a crowd in excess of 100,000 people jammed Queen Street West to view the many exhibits and to discover the large sampling of new Canadian writing. This year the crowds in Toronto grew and were joined by large parallel festivals at either end of the country.

Thanks to the grants from the Literacy Secretariat and the Department of Canadian Heritage, Word on the Street has grown to include festivals in Vancouver and in Halifax, making it a truly national event.

I take this opportunity to salute the organizers for their hard work and for their efforts to promote literacy.

* * *

CANADA POST

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, in late August the minister responsible for the Canada Post Corporation ordered a top to bottom review of the mandate of Canada Post.

It is my understanding that in the very near future the minister will announce the details of the review: who the chairperson will be, how long the review will take and whether it will be held in public or in private.

In the past I have called for the minister to establish an independent commission that would evaluate the performance and mandate of Canada Post on an ongoing basis. Rural and urban communities have been greatly affected by post office closures, privatization, community mailboxes, slow delivery and stamp and service price increases.

Therefore, I urge the minister to ensure that the review recognize that service is important to the public and not use the results of the review only to justify further privatization and service reductions. The review should be held in public with cross–country public hearings and adequate time given for groups and individuals to make presentations.

* * *

REGIONAL DEVELOPMENT

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, I rise today to reflect on the Reform Party's record in regional development.

When Reformers visit Atlantic Canada they say they will eliminate subsidies to stimulate business. However, what does the Liberal Party record say? The Atlantic Canada Opportunities Agency invests in business. The government has eliminated grants and every $1 we invest in the economy has a $4 effect.

When Reformers visit Atlantic Canada they say they want to get away from Ottawa–directed approaches. However, regional development in Atlantic Canada is just that, regional and local. ACOA's 94 per cent success rate proves it is working.

If the member for Fraser Valley West is an example, maybe Reformers do not really mean what they say when they visit Atlantic Canada, but Canadians cannot take that chance.

Reform has proven that it does not understand Atlantic Canada, but the government is proving that regional development works.

* * *

[*Translation*]

HYDRO–QUEBEC

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, Hydro–Quebec has decided to withdraw from the Conseil du patronat du Québec because of this organization's militancy for the No side. The chairman of the board of Hydro–Quebec, Yvon Martineau, severely condemns the statements made by several business leaders who have come out in favour of the No side.

He said that some business leaders, who claimed to speak for business people, made public comments that were unworthy of their responsibilities.

• (1405)

Responding to Laurent Beaudoin's remarks, Mr. Martineau said that speaking of Quebec as a shrunken state denotes a lack of respect for its people. He rightly ascribed our prosperity to the work done by successive generations and not to the country's size.

Despite the wishes of Mr. Garcia of Standard Life, Quebec will not be crushed.

* * *

[*English*]

TRANSPORT

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, air travel is convenient but can be risky, particularly on the rugged, inaccessible and unpredictable west coast.

It is with deep regret, shock and sadness that I rise to extend my deepest sympathy to the families of the eight individuals who perished in the crash of the single engine turbine Otter aircraft in Campbell River last night.

I know my colleagues will join with me and that the prayers of this House are with the bereaved families.

We also want to let the survivors and their families know that our thoughts are with them.

* * *

QUEBEC REFERENDUM

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, the constituents of the federal riding of Waterloo, a part of English speaking Canada, overwhelmingly recognize that Quebec is a

vital, integral and essential part of our country. They recognize that Canada is greater than the sum of its parts.

They are concerned and apprehensive about the upcoming referendum in Quebec. They want a Canada that includes Quebec.

They know there are two sides to the referendum campaign: the separation side led by Jacques Parizeau and the unity side led by Daniel Johnson.

It is their expectation that political parties that say they favour a united Canada work together and not engage in self–serving political opportunism.

The questions raised by the Reform Party to the Prime Minister during question period on the upcoming referendum have aided and abetted the Parti Quebecois and the Bloc Quebecois. It is time members of the Reform Party matched their rhetoric with action and got onside with the group that is working together for a united Canada.

* * *

[*Translation*]

THE MEMBER FOR LAURENTIDES

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, the Bloc member for Laurentides, who is also the official opposition's critic on the environment, recently stated: "Fortunately, on October 30, Quebecers will decide to give themselves a country. Our environment will then cease to be a federal issue, and we will be able to breathe easier".

It would be in the Bloc member's interest to read again some statements made by her leader when he was Canada's minister of the environment. She would surely learn some very valuable lessons. At the 44th annual general assembly of the United Nations held on October 23, 1989, her leader said this: "At a time when environmental problems transcend borders, our idea of sovereignty must continue to evolve and adapt".

The separatist obsession must not shrink our horizons to the point where we are going against the tide of major global trends. The separatist vision is easy to see through, as the hon. member for Laurentides has just shown us once again.

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CANADA–QUEBEC ECONOMIC UNION

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, I have just heard for the first time a separatist spokesperson speak in favour of tabling the partnership deal Quebec would offer Canada should it achieve independence.

Victor Lévy–Beaulieu, the author and co–chairman of the Yes campaign in the Lower St. Lawrence region, told Radiomédia Rimouski listeners: "Of course, for the purpose of the referendum and perhaps also to make people feel secure, it might not be a bad idea after all to finally define this new society referred to in the proposed agreement".

In his statement, Victor Lévy–Beaulieu concurs with 75 per cent of the people of Quebec who demand that the partnership offer be made public before the referendum. The people are entitled to know what is this partnership offer that an independent Quebec would extend to the rest of Canada, and it is the separatist leaders' duty to disclose its content. That is how democracy works.

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UNEMPLOYMENT INSURANCE REFORM

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, the Minister of Human Resources Development is once again trying to hide from seasonal workers the impact of his UI reform. Not only will many workers no longer qualify, but the minister intends to take nearly 20 percent off their UI cheques.

We must realize that Quebec regions will be hard hit by this reform. The federal government is setting out to treat seasonal workers like second–class workers, beer drinkers, as the Prime Minister once said.

• (1410)

Is this Ottawa's answer to forestry workers' cry for help? The minister cannot keep hiding his reform. If he thinks it is a good reform, he should table it before the referendum is held.

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[*English*]

BILL C–351

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, Canadians want gun laws that are cost effective, reduce violent crime and save lives.

This morning as part of the Canadian agenda, the people's agenda, I introduced the firearms law sunset act. If passed, this bill would guarantee that only those gun laws that were successful and cost effective at improving public safety and reducing violent crime involving firearms would remain on the books.

The justice minister, following in the steps of his defeated predecessor, has been unable to produce a shred of evidence to show that a national firearms registry is necessary or will improve public safety. If the Liberals think it will they should support my bill. For anyone to argue against this type of sunset

provision, they would have to argue that they support gun controls even if they do not work and no matter how much the controls cost.

No one is saying that gun control is unnecessary, only that police time and resources should be spent on measures that get the best bang for the buck. This bill does exactly that.

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[*Translation*]

DIVISION OF THE FEDERAL DEBT

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine, Lib.): Mr. Speaker, yesterday, the Leader of the Official Opposition displayed true political demagoguery in this House. The Bloc Quebecois leader clearly suggested that an independent Quebec might not fulfill its commitment to assume part of the national debt if the purported negotiations on an economic union are not to his liking.

That totally irresponsible statement made by the separatist leader can only generate more fear on financial markets, and it could have a devastating effect on the credit ratings and interest rates that we will be faced with, both in Quebec and in Canada. Are we to understand from the opposition leader's comments that an independent Quebec will not fulfill its financial commitments toward foreign countries and investors? Is that the foolish adventure that you are proposing to Quebecers, Mr. Bouchard?

The Speaker: My colleagues, you must always address the Chair and avoid using names. I ask the hon. member to be careful.

Mr. Gagnon: Mr. Speaker, I was referring to Mr. Parizeau.

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OLD AGE PENSIONS

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, the Quebec separatist spokespersons no longer know what stories to make up to scare people. Since they are incapable of showing the benefits of their separation project, they now try to make a fuss over non-existent issues. The most recent such attempt was made by the PQ environment minister, who said yesterday that, following a no vote, old age pensions would take a beating.

Such blackmail and scaremongering tactics have no place, given the importance of the decision that Quebecers have to make. Separatists must demonstrate the advantages, if any, of their option and stop raising the spectre of cuts in old age pensions. Quebec seniors are not stupid; they can very well decide for themselves which structure will afford them better protection: an independent Quebec or a united Canada.

[*English*]

HOUSE OF COMMONS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, in January 1993 the Liberals wrote a document while in opposition entitled "Reviving Parliamentary Democracy: The Liberal plan for House of Commons reform". Two of the authors were the minister of public works and the present whip.

Liberals should listen. Mr. Speaker, this is what they said about your position: "In order to enhance the independence of the Chair and in an effort to reduce the level of partisanship, when the Speaker is from the government party, two of the junior chair officers should be from the opposition so that the four presiding officer positions are shared equally between the government and the opposition".

The current deputy and assistant Speakers are Liberals. The partisan nature of their appointments is in contradiction to Liberal promises. It makes me wonder: Is the government really interested in the broad Canadian agenda of parliamentary reform? I do not think so. The proof is in the pudding. They are intent on mouthing promises they have no intention of keeping.

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

SOCIAL PROGRAM REFORM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, when pressed with questions yesterday about the dreaded federal reforms in unemployment insurance and old age pensions, the leader of the No side, Daniel Johnson, did not answer, saying this was up to the federal government. Since Mr. Johnson has refused to take any responsibility for the future of social programs, including those that apply to Quebec, I will direct my questions to the Prime Minister.

Will the Prime Minister admit that the best way to respond to the concerns of the unemployed and the elderly would be to table his social program reform now, so that Quebecers will know what to expect after a No to the referendum question?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said early this week, and the Minister of Human Resources Development fielded questions on the subject several times, that we are working on the unemployment insurance reform. The process started some time ago. A green paper was tabled, and there were consultations with members. As soon as the bill is ready, we will table it in the House of Commons, there

will be a debate and amendments will be proposed by all parties, including the opposition's party.

There is a debate going on now, and I want to repeat that the reform will apply to all Canadians. It will apply not only to Quebecers but to all Canadians. We want to make sure that the unemployment insurance program and social reform will focus on job creation and on giving Canadian and Quebec workers the dignity of work, the dignity they desire.

As for old age pensions, this is our responsibility. As everyone knows, the federal government has an obligation to meet with the provincial governments every five years to review what is referred to in English as the CPP with the nine other provinces. Although the Government of Quebec is fully autonomous in this area because the Quebec pension plan is strictly under its jurisdiction, it is party to the discussions because it does not want to undo the harmonization that exists in Canada.

This meeting will take place in a few weeks, and the finance minister will be there. In any case, we have absolutely no intention of compromising the security of senior citizens who depend on government pensions. That is not our purpose. The point is that we must act responsibly and face up to our responsibilities. The point is not to have one policy before the referendum and another one afterwards, as seems to be the case with the Parti Quebecois in Quebec City.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the federal social program reform is reminiscent of Penelope and her weaving. Every night Penelope, who was playing for time, would unravel what she had woven during the day. In the case of the federal government, every night it ushers its officials into the office of the Minister of Human Resources Development to undo what was written the day before, to make sure the reform is not ready before the referendum.

According to various leaks and to information reported just this morning in the *Globe and Mail*, the social program reform is ready but the government has decided to postpone its release.

My question to the Prime Minister is: When will he put an end to the uncertainty and apprehension of the unemployed and immediately release this reform which is locked away in the vaults of the Minister of Human Resources Development, so that Quebecers can make an informed decision on the kind of society they want on October 30?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are acting very responsibly, and the legislation is not ready yet because the appropriate decisions have not been made. As soon as these decisions have been made by cabinet, the legislation will be drafted and tabled in this House. If the legislation is ready before the referendum, it will be tabled before the referendum.

We have discussed these matters and obtained the input of a great many people on this reform. We want to do a good job, and we will ensure that Quebecers are treated exactly the same as everybody else. This has no connection with the referendum. It is because we want to act responsibly.

• (1420)

I want to take this opportunity to ask the Leader of the Opposition if he would care to clear the air about what he said yesterday. He probably said more than he intended, because at this stage, the Leader of the Opposition cannot afford to give foreign markets the impression that some provinces or governments in Canada would not do what any country would have to do, which is pay its debts as agreed in contracts with investors.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if the Prime Minister wants to reassure foreign markets, he should tell them he will behave reasonably, will respect Quebec's democratic Yes vote and will negotiate. Investors tend to shy away from lending money to undemocratic governments.

This does not fool anyone. The Prime Minister wants to postpone the tabling of this reform, because he has every reason to fear the devastating scope of the cuts he is about to make. Does he not realize that by taking his cue from the simplistic and heartless solutions proposed by Mike Harris, he is preparing the ground for a fractured and divided society in Canada and Quebec, of which we saw a sample last night at Queen's Park, unfortunately?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, first of all, speaking of a democratic society, when we have a leader of the opposition in a democracy, sitting in Parliament and proposing the division and break up of the country in which he lives, this has to be a record for democracy anywhere in the world.

In a democracy, people who propose separation should have the courage to say they are separatists, not just to the Americans but to the people in that province, so they will understand. In a democracy, they should have the honesty to say clearly what they want to achieve with their objective, which is separation, but the Leader of the Opposition is afraid to tell Quebecers the truth as he should, in a democracy: that he is a separatist and wants to leave Canada.

But Quebecers will understand, and on October 30 they will vote to stay in Canada. I am sure they will, because they know the opposition does not have the courage to do as it says.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, is the Prime Minister announcing that he would not be prepared to respect Quebec's electoral democracy? The leader of the official

opposition has been duly elected, and a goodly number of the members here have been elected by more than half of their fellow citizens, unlike many other people.

It can be seen from this morning's *Globe and Mail* that the minister prefers to hand out scoops on his unemployment insurance reform to the major dailies rather than to table the reform so it can be judged in its entirety by the population of Quebec.

Will the Minister of Human Resources Development admit that the leak referred to by the *Globe and Mail* proves beyond a doubt that his plan is not only to come down hard on the unemployed but also to go over the heads of the provinces, thumbing his nose at the Quebec consensus?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I find it quite strange that the hon. member would comment on the fact that we are divulging things.

It was only a day or so ago that her leader and other members were waving leaked documents in brown envelopes. All of a sudden they are totally discounting those and asking: "What is the real truth?" Two days ago the Leader of the Opposition was saying: "I have the truth here". Now the hon. member for Mercier is saying: "No, that was not the truth".

The fact of the matter is Bloc Quebecois members do not know what the truth is any more because everything they do is geared to the agenda of separatism. If they want to have a serious debate about social reform they should be putting their positions and suggestions forward.

• (1425)

The problem is they are distracting Parliament from the real work of helping people to get jobs, of helping people to get security, and of helping people to see their future. As a result Parliament cannot do the work it should be doing because the hon. member is totally distracting and knocking people off their feet.

That is why I keep saying to the hon. member "simply say you are going to vote no" so we can get down to the business of the House.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, it is precisely because there have been trial runs of Canadian federalism, over and over again, that Quebec premiers from Jean Lesage up to Bourassa have been trying over and over again to gain control over occupational training. Just that. And the reason we are sovereignists is that we have seen federalism's inability to reform. For the good of the common people.

Does the minister acknowledge that, in this plan which we have all read, he is not only cutting social transfers but also dumping onto the provinces the burden of the long term unemployed, without any financial compensation for that burden, while at the same time retaining control over the unemployment insurance fund and its surplus in order to finance new federal initiatives?

The Speaker: I would ask my colleagues to shorten the questions a bit. They are quite long.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, let me first comment on the remarks of the hon. member about the need to work with the provinces.

On October 5, I wrote to the new employment minister in Quebec, Madam Harel, offering to sit down and negotiate a devolution or decentralization of labour market programs. The answer was no.

I was still interested so I tried again. I wrote on October 27, 1994 to the same minister and said: "Let's get together and study the problem of duplication and overlap. We will sort of join to do the program". The answer again was no. The question of co–operation was not a problem on our side. It was from that minister of employment.

In all good faith I kept trying and as a result last summer we had some success. We negotiated an agreement to help jointly fund a major income supplement program in Quebec. We were able to arrive at an agreement to do a joint program for apprenticeship training in auto mechanics for young people. We have also arrived at a preretirement program.

It shows that I will keep trying as long as they will too.

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QUEBEC REFERENDUM

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, some dissatisfied Quebecers are saying that they are tempted to vote yes in the Quebec referendum, not just because they want to separate from Canada but because they want to separate from an overcentralized federal government. They fear and resent the centralizing tendencies of the federal government—

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

Mr. Manning: They fear and resent the centralizing tendencies of a federal administration and of key ministers in that administration, and one of the worst offenders is the Minister of the Environment.

Recently she walked away from a groundbreaking agreement with the provinces on environmental management because somehow it conflicted with her view of centralized environmental management.

Will the environment minister get back to the negotiating table, conclude the environmental management agreement with the provinces, and demonstrate that decentralized federalism works better than centralized federalism?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, it is a very sad day in the House of Commons when the leader of the third party gets his best applause from the separatists with whom he is working.

Also I welcome the member's newfound interest in the environment. We have been sitting here now for almost two years and I got my first question from him on the issue this week.

When it comes to agreements, in the last 23 months we have signed 12 major agreements which I would like to read into the record. They are administrative agreements with the province of Alberta. These are equivalency agreements which the province of Alberta signed on June 1, 1994. There is the Canadian intergovernmental agreement on the NAFTA signed on August 15, 1995. There is the administrative agreement on pulp and paper with British Columbia—

• (1430)

The Speaker: The hon. member for Calgary Southwest.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the minister's contempt for this line of questioning is the same contempt she shows for the provinces.

The minister has unilaterally banned the use of lead shot. She is unilaterally banning the use of MMT and benzene as fuel additives. The minister is setting standards for greenhouse gas emissions without real consultation. The minister stopped all the harmonization talks and scuttled progress on transferring control of the inland fisheries to the provinces. The concerns of the provinces are met not with understanding but with the minister's reverse charm and recycled rat pack tactics.

Why does the minister stubbornly cling to the centralizing prejudices and policies of the seventies when decentralization is the watchword of the 1990s?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I would like to table for the record the 12 agreements we have signed. I would also like to inform the hon. member there are 12 other agreements we are working on presently.

I was elected to the House of Commons to speak for Canada. There are many environmental issues which touch all Canadians in the same way. If I drop something in Hamilton harbour it ends up in the water of la fleuve St–Laurent.

If there is any area where there are national needs for a national vision, it is in the area of the environment. Surely the leader of the third party should recognize that.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the government's unwillingness to recognize public and provincial demand for decentralization in social services, in health care financing and in natural resources management is bad for federal–provincial relations and bad for national unity.

Why does the Prime Minister not remove the centralizers from his cabinet and send a strong signal to Quebec and indeed to all Canadians that federalism can work better by accepting and practising the principle of decentralization?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I remind the hon. member who may have forgotten that in his own response to the prebudget speech in the House of Commons on February 1, 1994 he took the position that we should maintain and increase federal support for the environment.

I also underline that even the leader of the Bloc Quebecois has stated in the House that the federal government has very clear jurisdiction in the area of environmental impact assessment. That jurisdiction is not challenged.

Our job here is to develop environmental standards which can work for the whole country. That is what I was elected to do. I would hope that the member would stop being a mouthpiece for one province and would start working for all Canadians.

* * *

[*Translation*]

OLD AGE PENSIONS

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Prime Minister.

While the Minister of Foreign Affairs is visiting seniors' centres saying that his government will never touch old age pensions, the Minister of Labour said yesterday that the federal government was going to reform the Canada Pension Plan. What is more, the latest budget also announced a reform of the old age pension, a different program from the Canada Pension Plan.

Since his ministers are all mixed up, would the Prime Minister confirm once and for all that old age pensions will indeed be reformed, as the budget provided, and that this reform has nothing to do with the five–year review of the Canada Pension Plan?

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, in the budget, the Minister of Finance said that a periodic review of the CPP, as I said earlier, was necessary at least every five years in cooperation with the Government of Quebec, which has its own pension plan, but which works with the federal government to harmonize both systems.

I have said it and I will repeat it, we will never compromise the security of seniors who depend on the government pension. However, there are problems with this system as with all the others, and we want to ensure the system is adjusted, but not simply for this year and next, because good management requires us to be able to predict what the situation will be for people reaching retirement age in 2005 and 2010. We are doing studies right now, because, if we are not careful, people reaching retirement at that point might perhaps not enjoy the same services as people today do.

Those who have reached that point today, those who are receiving pensions from the Canadian government and need them in order to survive, may rest assured that we do not intend to change them, because we know it is vital to allow them to keep their current standard of living.

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, in describing old age pension reform, the latest budget talked about affordability, controlling financially sustainable costs and staying within our means.

Does the Prime Minister have the courage to say to us seniors today that the aim of his reform is to cut costs in the old age pension program and thus reduce the size of seniors' cheques?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have just said that we do not intend to cut the old age pensions of people who are currently retired. This is very clear; we have said this. We said so. The only thing is that some work has to be done to make sure that, in 2005 or 2010, we still have an old age pension system in Canada.

I can understand the hon. member and the Bloc members. They see no further than October 30. We are thinking about the future of all Canadians and about the pensions of Quebecers and Canadians not only for 1996, but for 2005 and for 2010 as well.

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[*English*]

IRVING WHALE

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, my question is for the Minister of the Environment.

In 1992 a study of the *Irving Whale* said that PCBs were on board the barge at the time of sinking. The minister claims she had no knowledge of this until July 6 of this year. She has stated in this House that it was the transport ministry that overlooked this report and not her ministry, Environment Canada.

Will the minister put Canada first and tell the House in just a word who is responsible for the mistakes that led to a prohibitive court injunction, transport or environment?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I informed the House last week that the investigation into the PCB presence is continuing. In fact, the Irving company is being interviewed this week on the issue. As I said a couple of weeks ago, when we determine who is responsible for not formally informing the government about PCBs, there will be action taken.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, the Minister of the Environment has been politically grandstanding on this from the very beginning. It was her call to raise the *Whale* and now Canada is further in debt by $12 million and everything is still at the bottom of the sea with no hope to rise again as the *Mary Ellen Carter.*

Will the minister get a grip on her ministerial accountability and will she admit that it was the fault of her department for ignoring the 1992 Marex study?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I am prepared to take responsibility for a lot of things but as Minister of the Environment even I cannot dictate the weather.

The member will know the reason the *Irving Whale* was not able to be lifted this year was specifically because of the small window of opportunity for raising the *Whale*. We needed two very calm days and those days were not forthcoming because of the delays occasioned by the court case.

Everything is in place for the *Irving Whale* to be lifted next year. It seems to me that the presence of PCBs which if laid out would cover a football field three feet deep makes it even that much more urgent to lift the *Irving Whale*. We intend to do that as soon as the weather and the courts permit.

* * *

• (1440)

[*Translation*]

OLD AGE PENSIONS

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, the leader of the No side, Daniel Johnson, who was clearly uncomfortable and unable to answer seniors properly, invited people to direct their questions at the Prime Minister of Canada.

On behalf of these people, therefore, I will question him myself in order to reassure seniors. Mr. Johnson said: "Since I am not the Prime Minister of Canada, a member of Parliament, a federal minister or Lloyd Axworthy, I cannot make promises as to what is going to happen". But the Prime Minister can do so. We will therefore ask him to make some promises.

Instead of trying to confuse all seniors by talking sometimes about the Canada pension plan and sometimes about the old age security system, can the Prime Minister promise today, in order to reassure seniors, that he will reject out of hand, right away

and clearly, any reform of old age pensions for seniors, as they now fear?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, at the rate of one scare a day and with 32 days left, they still have to come up with 32 new scares. I think that the opposition is starting to feel scared that they will run out of scare stories. As I clearly stated earlier in response to his colleague who is already receiving his old age pension, we will never compromise the security of seniors who depend on government pensions.

That is clear. I cannot be any clearer than this. I am not saying that there will be no reforms because there will be reforms. I know that opposition members will not be here at that time, but we on this side hope to be here for a few more years. We must now ensure that there will still be an old age pension plan for those who will retire in the coming millennium.

These are our responsibilities, and we are not about to say that we are not looking at these problems when we are. But to those who are afraid today because PQ members are trying to scare them, I say: "Do not be afraid". There will be no statements on cutting their old age pensions either in November or in the February budget. I cannot be any clearer than this.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we finally heard the admission that the Prime Minister will reform the old age security system. Given the direction in which the Minister of Finance is heading, this reform will certainly involve cuts. I would be surprised if old age pensions were increased, in the light of what they have done in the past two years. I imagine that he may well not think that representing seniors in this place is trying to scare people; we are simply trying to protect their security.

Given the extremely disturbing information for seniors that come from government back rooms, could the Prime Minister assure us beyond any doubt that his government is not planning to defer beyond 65 the age of eligibility to the old age pension? Can he deny today this piece of bad news for seniors?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, in our concept of society, people aged 65 and over already receive pensions. They therefore have no reason to worry. I am saying that we will have to look at the problems in the years to come. We will see; studies will be done.

Some hon. members: Ah, ah.

Mr. Chrétien (Saint-Maurice): Yes, we will see.

But if we really want to reassure retired people in Quebec, the best way to do so is to tell them that they will continue to receive their old age pensions from the government of Canada after October 30, while the Parti Quebecois is creating extreme uncertainty with its separation plans. The best way to reassure Quebec seniors is to tell them: "The government of Canada will still be there after October 30 to pay your old age pensions". There will be no doubt about that.

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• (1445)

[*English*]

BOSNIA

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, there is confusion in the government about when our troop commitment in Bosnia expires. Officials from foreign affairs told me that our mandate in Bosnia is up at the end of November. The Department of National Defence tells me that troops will be deployed November 9 through 17. The Minister of Foreign Affairs says that our commitment is up on October 30.

Will the Prime Minister end the confusion and tell us when our mandate in Bosnia is over?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we should all rejoice because the peace process taking place at this moment in Bosnia is making a lot of progress. I am very proud of our Canadian soldiers who have proudly represented Canada during very tough times in order to save thousands and thousands of lives.

While the Reform Party changed its mind during the process, the government kept faith in the process of peace. Progress is being made at this moment. We will decide if we are still needed there. Even if there is a peace agreement signed in the weeks to come, there will still be a need for Canadian soldiers.

This morning I discussed the situation with the President of France and the Prime Minister of England. We keep in touch with them because we want to participate. We have participated and contributed to a situation where everybody thinks there will soon be peace. It is not the time to quit when we can still make a contribution.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Prime Minister has been sidetracked from the Canadian agenda for so long he has forgotten his own words. On March 30, 1995 the Prime Minister said: "Canada's presence in the former Yugoslavia will be maintained for the next six months". That means midnight September 30, 1995.

I will ask my question again to the Prime Minister. When will our troops be pulled out of Bosnia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, not before Sunday.

[*Translation*]

UNEMPLOYMENT INSURANCE REFORM

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The document on the human resources investment fund recently submitted by the minister to the program review committee mentions a federal strategy for selling the UI reform in Quebec. It states in part that a tenable position should be identified with regard to Quebec in the referendum context, however unacceptable this position may be to the current government.

Does the minister recognize that this excerpt confirms that he was prepared to table his UI reform during the referendum campaign or even earlier, but that the Prime Minister decided to postpone its tabling till after the referendum in order to hide his intentions from the people of Quebec?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I have never presented any such document to the program review committee of cabinet.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Yet, Mr. Speaker, that is what this document says, which was leaked to the press and brought up by the NDP this week.

Does the minister realize that his UI reform, which introduces five new federal manpower training programs, flies in the face of the repeatedly expressed Quebec consensus on the need to transfer to Quebec all responsibilities in that area?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member rightly knows, we have been developing a series of projects in co–operation with the provinces over the past year to test out new methods and new measures by which we can help people get back to work most actively. One of the most interesting projects is in co–operation with the Government of Quebec in dealing with young people and helping them to get back in the job market.

• (1450)

If the hon. member is telling me he rejects any of those measures that are more effectively designed to get people in the job market, there is something substantially wrong with the hon. member. I have a letter he wrote to me asking for my support in a youth project sponsored by the federal government in his riding. I am very pleased to say I would certainly like to give him the assurance of supporting that project if he can give me the assurance of supporting the no vote on October 30.

* * *

AIDS

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, my question is for the Minister of Health. On Sunday, October 1, over 40 communities across Canada will be walking to raise AIDS awareness and much needed dollars. Would the Minister of Health tell the members of the House what the government is doing to help the 45,000 Canadians living with HIV and AIDS and what measures it is taking to prevent others from becoming infected?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, HIV/AIDS is a serious concern for all Canadians and it is a priority for this government. This year we are spending $40.7 million against this deadly disease. Half of these funds go toward research; the balance goes toward education, prevention, care, treatment and support.

For example, recently I announced the government's support for a 1–800 information line. This information line will be accessible coast to coast in both official languages and will give information on care and treatment to people concerned with HIV and AIDS.

This Sunday I will be joining the AIDS community in Sudbury to march and raise funds for this worthy cause. I invite each and every one of you to participate in your communities as best you can in whatever way you can. It is a very worthwhile cause.

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GOVERNMENT POLICIES

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I would like to speak about our province of Ontario, the forgotten province.

In June, Mike Harris and his common sense revolution were endorsed by the voters in Ontario. Mike Harris listened to the people of Ontario. He had the same message Reform did: Stop the madness of deficit financing, introduce a victims' rights bill and put an end to employment equity.

Can the Prime Minister tell the House when his government is going to start listening to the people of Ontario and stop this deficit financing, introduce a victims' rights bill and end employment equity?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, perhaps it is timely for us to observe that yesterday when the kissing cousins of the third party, the Conservative Party of Ontario, opened the session of Parliament there was a riot involving 5,000 people outside the legislature.

I very much hope the hon. member is not advocating that approach to public relations in government.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, it is interesting we should talk about the riot at Queen's Park. It was evident that many of those protesters were members of the Canadian Union of Postal Workers. Can the government explain why federal employees were rampaging at Queen's Park when they should have been earning their federally subsidized paycheques?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, apparently we have touched a nerve.

The reason the government continues to enjoy the widespread support of Canadians is that we are performing as we said we would. We are fulfilling our red book commitments and we have every intention of continuing to do exactly that.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development, to whom I say that we will never trade our votes for training programs.

• (1455)

Thanks to his UI reform, the minister will get, from the cheques to the unemployed, the money to finance his human resources investment fund, thus creating more duplication in manpower training due to the development of new federal training programs.

Given the consensus in Quebec on the need to transfer the whole manpower training sector to the province, and considering the significant savings which could result from such a transfer, does the minister agree that it is improper to reduce payments to the unemployed in order to finance new federal manpower training programs?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, first let me point out to the hon. member that the unemployment insurance system is very clearly a federal national responsibility. It goes back to 1940 when all the provinces agreed it would be the responsibility of the federal government to give people a sense of security against unemployment, and like any good insurance policy, to make sure that we reduce the risk.

The best way of reducing the risk in unemployment insurance is to get people back to work. That is one reason that over the years we have very carefully invested in a variety of programs to enable people to develop their employment prospects.

We are saying in the modernization of it that we have to get better. We have to use the money more effectively. We have to get better value for the money. Therefore, we have to begin to look at how we can streamline and consolidate many of the 40 some programs into several programs and do those where we can work in close co-operation with the provinces. That is very clearly part of what we want to do. We want to develop a series of co-operative relationships with the provinces to help people get back to work.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the only way to have an effective employment policy in Quebec is to have a sovereign Quebec that will control the UI system.

Will the minister recognize that his flat refusal to transfer the whole manpower training sector to Quebec, as the province is asking, is a blatant example of the hard-nosed attitude of the federal government and its lack of understanding of Quebec?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, with the indulgence of the member I remind him of my comment to his colleague earlier. I wrote to the Quebec employment minister offering to sit down and talk about issues of decentralization and devolution and the hon. minister of employment for Quebec said no.

I have had similar very productive, very constructive discussions in the province of the leader of the third party. We now have a series of locations dealing with youth services. The federal and provincial governments are now working together in five different centres developing joint projects in that area.

We are even working in the province of Quebec in a co-operative way. In the southwest corner of Montreal we have the RESO program in the area the hon. Minister of Finance represents thanks to his leadership.

My point is there are many ways in which we can help people. The most important thing is to get rid of the disputes between jurisdictions and get down to budget—

The Speaker: The hon. member for Wetaskiwin.

* * *

MANITOBA ENTERTAINMENT COMPLEX INC.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, yesterday in the House the Minister of Human Resources Development gave a very ambiguous response to a question asked by my colleague in regard to the $533,000 grant that was given to a group in Winnipeg known as Manitoba Entertainment Complex Inc.

Would he clarify today what process the group followed to obtain these funds and what was the criteria for qualification?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I thank the hon. member for his question. I think it is properly put and one which deserves clarification in comparison to what I heard yesterday.

The answer is very clear. The industrial adjustment service is a program that works nationally throughout Canada to help a broad range of communities which are facing adjustment problems, either the loss of major industries or the prospect of developing new industries. In each of these cases the IAS program is set up through an independent committee.

In the case of the new arena in Winnipeg the MEC worked out with the regional director of human resources to establish an independent committee. It is made up of people who are not involved in the program designed to bring the stakeholders together. There is no involvement by the minister. There is no direct involvement.

• (1500)

They work with all those involved in the project to find a way of making an adjustment. In this case the primary objective was to develop alternate plans to save 1,400 jobs at risk as a result of the decisions being taken in relation to the arena.

That was the process which was taking place, an independent committee making decisions and working with major stakeholders to ensure we could find the best means of saving jobs in Winnipeg.

Mr. Dale Johnston (Wetaskiwin, Ref.): I have a supplementary question, Mr. Speaker, for the same minister.

Was the minister aware at a time prior to the awarding of the $533,000 grant that some of the people in Entertainment Inc. were contributors to his campaign?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, after representing the city of Winnipeg for close to 24 years I must say with some modesty that a large number of people contributed to my campaign.

I say with some regret that of the fifty–five business partners in the MEC only five have made contributions to my campaign. All the rest went somewhere else, which is something I had better look into.

I did not have any connection whatsoever. I had no assessment of who was making applications to MEC or who was getting contracts. It was the responsibility of the independent committee to determine what kind of contracts were to be let and where the money should go. I had no involvement whatsoever, and I hope that clarifies the matter for the hon. member.

* * *

ENDANGERED SPECIES

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, my question is for the Minister of the Environment and concerns the need to strengthen the current proposal for the endangered species protection act.

As presented, the minister proposes to apply the terms of the new act to only 4 per cent of Canada's total land base and eliminates the northern jurisdiction entirely.

Is it the minister's intention therefore to ensure effective protection of endangered species by broadening the premise of the proposed new act and at the same time by providing us with a guarantee that the new $2 coin in not the last place on earth where we will ever see a polar bear?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I appreciate the question of the hon. member.

The hon. member has underlined one of the things that we have been trying to do in national government, and that is to respect jurisdictions.

We have come out with an endangered species framework, the first of its kind in Canada. We have also been very careful to respect the fact that provincial governments have jurisdiction in certain areas. That is why at first blush the legislation does not cover as many species as we would like.

In launching the process of the national endangered species act, not only have we seen the leadership that was already shown in the province of Quebec which had the first endangered species legislation but we have seen a number of other provinces come on board. We expect by the time the federal act is proclaimed that we will have at least seven other provinces contributing in a constructive way to a goal that I believe we should all share, and that is protecting endangered species.

Endangered species do not respect provincial boundaries. They travel nationally and that is why I think we need a national framework, which I know even the Reform Party would support.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of the hon. Harold Gilleshammer, Minister of Culture, Heritage and Citizenship for the province of Manitoba.

Some hon. members: Hear, hear.

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, could the government House leader give us an idea of what is in store for next week?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, we will continue today, and if necessary tomorrow, with the debate on second reading of Bill C–93, the cultural property legislation, and seconding reading of Bill C–98 regarding oceans.

If these items are disposed of before the end of the day tomorrow, I propose to call second reading of Bill C–78, the witness protection bill, and Bill C–64, the employment equity bill. This will be for debate at report stage and second reading since the bill was referred to committee before second reading.

• (1505)

Next week we will commence with a motion for reference before second reading of Bill C–101, the transportation bill, followed by another motion for reference before second reading of Bill C–84, amendments to the Regulations Act.

We will then return, if necessary, to the legislation listed for today and tomorrow at the place where we left off. That concludes the weekly business statement.

Mr. Speaker (Lethbridge): Mr. Speaker, I rise on a point of order. My question is also with regard to procedure.

The Speaker: I take it that it has to do with the Thursday question on upcoming House business.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, last week I asked the hon. member, the House leader for the government, what kinds of bills were in the works and what would be proposed in less than 10 days now.

I have not had a response to that or on whether there will be any legislation that will perhaps be delayed until the end of November or December when we would go into a format of closure. I would appreciate a response from the House leader, if possible.

The other question I have is with regard to procedure, how the government is handling procedure in the committees and the direction that is being given by the House leader and the whip of government.

Yesterday in the public accounts committee, while debate was going on with regard to the chairmanship, the government whip commanded the Liberal members and the Bloc members to vacate the committee after 25 minutes so that there was not a quorum for a discussion to proceed with regard to the chairmanship.

It looks like a very unacceptable precedent has been set. I would like to ask the House leader whether that is the kind of procedure that will continue in the House on other occasions as well.

Mr. Gray: Mr. Speaker, I think our whip is ready to respond to the second point raised by the hon. House leader for the Reform Party.

With respect to his first point, I was not able to be present at the House leader's meeting this week. I will endeavour to see what further information I can provide him in response to his question.

We have a number of bills listed on the Order Paper. These will be the measures on which we will be drawing for the legislative program of next week and ensuing weeks.

As I said to him last week, there may well be other measures in preparation that the government will be putting on the Order Paper within the next 10 days. I am sorry I cannot give him a precise list of additional measures at this point, but we will endeavour to assist the House in presenting the government's program in an orderly and meaningful way.

The Speaker: It would seem that we are stretching out the points of order, one on top of the other. I will permit it today, if the government House whip is prepared to answer, but I would prefer we deal with one area at a time when dealing with this type of information.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, yesterday afternoon shortly after question period and pursuant to an all–party agreement duly signed by all whips of the House, a meeting was held to proceed with the election of officers of the Standing Committee on Public Accounts. As I said, there was an agreement signed by all whips to the effect that the committee along with other committees would meet at previously agreed to hours and days.

Contrary to the agreement, one group of individuals chose not to allow the votes to proceed on the election of the chair and decided to filibuster the committee for whatever reason.

That was confirmed in an informal conversation I had with members of that party, at which point we were forced to adjourn the meeting by causing it to lose its quorum.

At 3.30 this afternoon we will once again attempt to elect officers pursuant to the agreement made. If that fails, we will attempt to do it again until we succeed in having not only the order made by the House some time ago on the repartition of members by party but also the all–party agreement made by the whips.

• (1510)

We intend to do our part as a government to ensure the standing orders are adhered to. Hopefully members of the third party will co–operate today, unlike what happened yesterday.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I rise on a point of order regarding House business. In support of your statement a few moments ago that it is not good to split up these matters, I noticed that in the course of the whip responding to the second question the government House leader vacated his seat.

I still have a question relating to House business for him. Perhaps the parliamentary secretary could answer my question. However in the future, Mr. Speaker, I want you to know that I support your contention that these points should be made separately and individually so that we can deal with matters in specific order.

With respect to House business for the coming week, the government House leader is aware that the recent supreme court ruling in respect of tobacco products marketing has been thrown back to the government for a response. The government has said that it is looking at options in response to this ruling but for the most part is relying on staff in the Department of Health for ideas.

In light of the fact that it would be better for members of Parliament to be examining the options, would the government House leader be willing to support a request from the House that the government offer this week the study of these options to the Standing Committee on Health so that a more public examination of the options and the issues could be undertaken?

Mr. Gray: Mr. Speaker, I will draw the hon. member's suggestion to the attention of the chair of the committee. If I am not mistaken, under our current rules the standing committees have wide powers to undertake studies at their own initiative rather than only at the request of the government. The committee may see fit to begin looking at this matter in a general sense.

I also assure the hon. member that this issue is being actively examined within the government. The judgment which I received just yesterday is very lengthy and very bulky. It is understandable that the government's response would not be forthcoming within days of the judgment.

The member's point about a vehicle for some public examination of the issue is one that, as I have said, the health committee might well want to take a look at under its ongoing and existing authorities.

GOVERNMENT ORDERS

[*English*]

CULTURAL PROPERTY EXPORT AND IMPORT ACT

The House resumed consideration of the motion that Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, be read the second time and referred to a committee; and of the amendment.

Mr. Milliken: Unless there are more questions following my speech, I am finished.

The Speaker: I thank the member. I was hoping he would regale us with more dinosaur tales.

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, it is an honour to rise to debate Bill C–93, particularly because over the course of the last few days as we have been discussing the bill I have been interested in the misinformation and in some ways nonsense that have been lobbed at this side of the House, especially by members of the third party.

I should like to clarify certain aspects of the bill to ensure the people of Canada understand and fully appreciate its importance to them and to us as a country. As I was listening to the debate, particularly the day before yesterday, there were indications from members that the bill would cost the government $60 million. That is wrong.

As a result of the bill and the notion that Canadians can donate artefacts of importance to our cultural heritage to museums, libraries and art institutions, we have had 1,100 donors give to our country the value of $60 million. The cost to our country, from a tax incentive point of view, has been just about half of that, $25 million to $30 million. In fact, what we have are priceless donations of our country's history, culture and art from other nations which is remaining in Canada for all of us to enjoy, value and appreciate. We have received $60 million worth of priceless art and goods for the value of $25 million.

• (1515)

That makes good sense to me, yet the members of the third party are misconstruing the information and having it printed in *Hansard* that it is costing us $60 million because they have not taken the time to understand the bill. In fact, I understand that they refused briefings from the parliamentary secretary and bureaucrats from the ministry. As a result we get misinformation in the House and that is not acceptable. It is good to have this opportunity to clarify that particular point.

There were challenges from the third party saying: "Did you know that this does not only apply to Canadian artefacts and art,

but to art from around the world? Is that not terrible?" I do not think it is terrible at all. Are we to assume that Canadians are not interested in works of art done by people from other parts of the world? We are a melting pot. We are a multicultural society. We can all learn from and appreciate art from other cultures. Those are the kinds of donations which are accepted under the bill. They are of value to us. I want to clarify that for the House. It makes sense and I appreciate it as a Canadian.

The particular argument that the third party makes of the bill is that it only benefits rich people, in fact it is the Canadian government again servicing the rich, giving them an opportunity to receive a tax incentive for making a donation to a museum, an art gallery or a library.

Mr. Milliken: If that were true, then you would think they would support it.

Mrs. Stewart (Brant): The parliamentary secretary makes a good point. He says: "If that were true, then you would think they would support it". I tend to agree with him. What they are saying is that the government is not being fair, that it is all one sided and that it is only going to the rich. No, it is not. Donations are made to our art galleries, our libraries and our museums and we all benefit.

Members of the Reform Party are suggesting, I believe, that people who are not rich are not interested in art, do not value our history and our culture and do not like to go to museums. I can tell them that is not true. By virtue of this kind of legislation we have a very unique and important way of ensuring that our heritage remains in Canada, that it is here for us to enjoy and value, and that it is here for our children.

If we go to the National Art Gallery, just behind Parliament Hill, we can go for free. Anybody can go for free and see incredible works of art, whether they be from the Group of Seven or from the Renaissance period. That is of value to all Canadians. Perhaps Reformers want us to charge for that. I do not know.

The results of the bill do not just service the rich, they service us all. They enrich our culture, our society and our heritage. These are important points which have to be put on the record as we discuss Bill C–93.

I was interested in some of the comments from the third party, in particular those that suggest the members of that party are credible art critics. If we go back through *Hansard* we can read of those members talking about particular pieces of art in the National Art Gallery and chastising that gallery for the purchase of those works of art or for even presenting them. It makes me wonder if the members from that party can spell art, let alone understand what art is all about. Quite frankly, art is a very personal thing. Art speaks to people in different ways, given the experiences, the culture, the point of view or gender of an individual. It is something that is very important as we discuss this bill. We are clarifying, crystallizing the differences between the party in government and the party on the other side of the House by showing an appreciation and value for our history and culture. Quite frankly, the attacks that have fallen on us are all focused by the third party on the dollar figure. Nothing else is important.

• (1520)

I agree that when times are tough, and we are finding it that way now, it is very easy to say stop, do not spend. Stop everything and focus on one issue. That is not good for our history, not good for our future. We have to remember that culture is continuing. Do we want a void in our history, in our collections, in our programs just because at this time we have a tough fiscal circumstance? I do not think we do.

Fortunately the government in place is a balanced government which understands the importance of all aspects of culture and of the fiscal realities of society. As my colleague pointed out, we are a national government that knows the importance of differences. Art comes from the Atlantic provinces or from Vancouver, British Columbia or from the prairies. Those are things we should be thankful for and they should continue.

The most important and telling point in this debate for me comes from my understanding of my own riding where we have a wonderful museum, the Brant County Museum, which has recently benefited from the philanthropy of one individual, Mr. Scheak, who over the course of his lifetime has collected a fabulous and very eclectic grouping of art, artefacts and historical documents. As a philanthropist he donated that collection to us in the riding of Brant. We now have an opportunity to look at historical pieces from around the world, whether it be from the Middle East, Asia and Europe, right in our own hometown. We do not have to travel to see it. There was nothing like that in my community before. Through legislation such as this, that is allowed to happen.

No one in my community would chastise Mr. Scheak for getting a 50 per cent return on that collection. Let us be clear. That is what he gets; 50 per cent of the value of the collection. He does not get it all, just 50 per cent. We as a community benefit greatly not only because our children get a firsthand attachment to that history, but because others come to our community to see it as well. From a point of economic development and tourism the riding of Brant is going to win.

As we listen to the strategies of the third party and their attack on this bill, we realize that a one–track, myopic approach to legislation is just not good enough. There are so many other aspects. There are no simple questions and there are no simple answers. Governing is very difficult. It takes a broad perspective, a complete understanding of a country, its people, its

history and its values. Fortunately, I believe the government shows that.

In this bill we are tangibly indicating that commitment. It is a proactive approach. As I mentioned, it is a unique strategy. There is one other country, interestingly enough, that provides tax incentives for donations to cultural institutions. That country is our neighbour to the south, the United States.

I continue to find it interesting that the third party touts the United States as the be all and the end all. They want us to have a political system like the United States. They want us to be like Newt Gingrich. They want us to be far, far on the right and forget about those in our community who have not got the same resources, capabilities and skills as others.

• (1525)

Now they find their heroes to the south doing something not so different from what we are doing here in Canada and they do not like it. I wonder. It is very rare that it happens, but we in fact have with this legislation implemented a program where Canadians can make donations to our very important cultural institutions. By and large they are doing it philanthropically because as I mentioned they are not getting the full return for the value.

They could sell them. They could insist that their collections go out of the country where we do not have the value for them and sell them beyond our borders, lost to us forever. But no, many people are philanthropic. They give to our institutions. It is very appropriate for us to in return give them at least a 50 per cent return. As I say, the people of the country do not object to that.

I know each of us as members of Parliament find as we talk to our local cultural institutions that they do not have the money to go out and buy artefacts and pieces of art. It is through donations that they create their significance, their contents and their importance. We do not want to ever lose that.

This bill is a good bill, bringing together pieces of several acts that have been historically part of the mix, clarifying them, improving them and making our country, as a result, much better.

I thank the House for its indulgence. I appreciate the opportunity to clarify some of the points that have been floating around over the course of the last few days of debate and at this point recommend the bill to the good graces of our House.

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, it is my pleasure to rise and speak in support of the act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act.

The opposition to the bill and the thrust of the amendment to the bill would undermine cultural institutions from coast to coast. Culture is the one legacy that the past leaves to the present and the present prepares to leave to the future.

By establishing the incentives that are inherent in this bill it will encourage people in this country who have items of great significance nationally, of great significance regionally or great significance locally to donate those items to art galleries, museums and heritage buildings that may be in any town, city or county.

The purpose of this bill is to amend the Cultural Property Export and Import Act, with consequential amendments to the Income Tax Act and the Tax Court of Canada Act, to establish an appeal determinations by the Canadian Cultural Property Export Review Board of the fair market value of certified cultural property.

In December 1991 the responsibility for determining the fair market value of cultural property donated to the designated Canadian museums, art galleries and libraries and significant heritage buildings transferred from Revenue Canada Taxation to the review board and the review board assumed this responsibility at its meeting held in January 1992. No provision for appeal of the review board decisions was included in the legislative amendments despite the fact that the right of appeal had existed when this responsibility was withdrawn from Revenue Canada. Donors and custodial institutions expressed serious concerns about the lack of an appeal process that is inherent to have built into any program like this where value is to be judged.

• (1530)

The Department of Canadian Heritage in co–operation with the review board then undertook a series of consultations with the community about the need for an appeal process. As a result of these consultations, it was agreed that the legislative amendments should be prepared to establish the right of appeal to the Tax Court of Canada.

This bill establishes two processes. The first gives the donor or recipient institution the right to request that the review board consider its initial determination of fair market value. If after receiving a determination from the board the donor is not satisfied, he or she may take the second step of appealing the board's decision to the Tax Court of Canada.

There are key messages inherent in this bill. I will review some of them at this time. The cultural property export and import tax provides tax benefits to encourage donations to public institutions of objects and collections that are of outstanding significance and national importance. This support is the only program of the Government of Canada that provides financial support through tax credits for donations to museums, art galleries, archives and libraries.

Museums, art galleries, archives and libraries in every province and territory in Canada benefit through the receipt of donations of cultural property as a result of these tax credits. Cultural property valued at approximately $60 million is do-

nated to Canadian institutions each year. A significant amount of real property is donated to public institutions.

The fair market value of cultural property certified by the review board is eligible as a tax credit at 17 per cent for the first $200 and 29 per cent on the balance over $200. The donor can claim the fair market value of the gift up to the total amount of his or her net income. There is no tax payable on any capital gain resulting from this gift.

Because a donor receives a tax credit, the amount of money realized as a result of the donation is approximately 50 per cent of the fair market value. The donor does not therefore receive a tax refund equivalent to the fair market value of the gift.

Donors, museums, art galleries and professional associations have been lobbying for the right to appeal review board decisions as it was perceived that the lack of an appeal was a denial of natural justice. In most cases where there is arbitration the laws of natural justice in this country must be seen to be in action. Due process must be seen to be in action.

The establishment of appeal should be viewed as a reinstatement of the right of appeal that was lost when the responsibility for determining the fair market value was returned to the review board in 1991.

These amendments will ensure that donors who disagree with determinations of the review board will have the right of appeal to the courts and that they will not be denied natural justice. The announcement of the establishment of an appeal process was received positively by donors, museums, art dealers and the media. These legislative amendments therefore enjoy a high level of public support.

The amendments are technical in nature and respond to strong concerns expressed by the heritage community. Their passage into law should be seen as part of the ongoing commitment of the Government of Canada to ensure the preservation of Canada's cultural heritage.

• (1535)

As I said before and would like to stress again, the era of a country is known by the culture it passes on to another. We must bring those significant items that demonstrated the culture of that era into a place of safekeeping so that they can be studied, viewed and appreciated by people in future eras.

Throughout history works of art have been prized by civilizations as expressed by the cultures that created them. They are regularly protected, conserved and displayed as both symbols and concrete examples of the history of a particular society or cultural group. We see this now as our natives in this country seek to preserve items of their cultural heritage which have great meaning to them. Other groups in our society are seeking now to preserve items of cultural heritage that will have great meaning to future generations.

All nations define themselves in the present by events of the past. It is therefore vitally important to preserve our nation's history and heritage.

Canada passed the Cultural Property Export and Import Act to provide cultural patrimony and preserve in Canada significant examples of the nation's cultural, historic and scientific heritage in movable cultural property. As a means to protect its cultural property, Canada adopted unique combinations of export controls and tax incentives for making gifts to the designated public institutions and incorporated these in legislation by establishing the articles that flowed from that act.

Last Sunday I attended a cultural heritage event. I stood in for the minister of culture at a ceremony for a plaque commemorating a historic building of significant architectural importance. Its interior was significant; it was the most outstanding example of fresco painting in three dimension in Canada. I was pleased to be there as were all the people of that community. It is not a sophisticated metropolitan community but the town of Baden of approximately 2,000 people.

People gathered in great numbers to celebrate the historic recognition of Castle Kilbride. Significant artefacts that belonged to that castle from the early 19th century were donated. People brought them back and these items were of significant value because they were owned by a man of considerable wealth. They returned them to this heritage building and museum so that the people of that community would see the architecture and painting of significance to Canadian history and how life was lived in that building.

I live in a town where there are a number of buildings of architectural significance that will be declared heritage buildings. There is not just the culture of significant and exciting designs but there is also the finest English speaking repertoire theatre in North America, the Stratford Festival Theatre and its three stages. We go down the trail and recognize great writing, great playwriting and performances in Stratford, which by the way is playing to its best year in history.

• (1540)

Canadians will look back on those significant events which developed their culture, developed their appreciation for fine architecture, developed their appreciation for fine art, which were developed in Canada by Canadians, for Canadians today and for Canadians tomorrow.

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, I am pleased to be able to speak in support of this bill today.

As the hon. member for Perth—Wellington—Waterloo so ably said, there is a technical reason for this bill, which is to enable an appeal procedure to be put into place so that the proper amount of taxation deductions will be calculated and applied in the course of allowing citizens to make donations to institutions in Canada. That in itself is an extremely important public policy consideration.

In some respects the bill seems very narrow in scope because it is reinstituting an appeal procedure which existed some time ago under previous legislation. In that sense it is rectifying a situation which needed to be dealt with.

Some of the objections which were raised by members of the third party when we were debating this bill the other day attacked not only the thrust of the bill and the whole purpose of what we are trying to do here, but also the need for an appeal procedure. If members of the third party are sincere about having genuine intellectual problems with this whole idea, they certainly should support the thrust of the bill, which is to ensure that there will not be an arbitrary decision by just one authority as to how these matters will be dealt with, but rather they will be subject to an appeal. They will go to the tax appeal court and from there they can go to the federal court. We will be able to ensure that these matters will be handled by strict, appropriate, legal methods.

This bill deals with an extremely important aspect of public policy concern in Canada, that is, that we should have proper procedures in place to ensure the good administration of all aspects of our justice system. In that sense the bill fits within the whole purpose of what the government is trying to do, which is to ensure that the people in Canada have a judicial system which is fair and open and which ensures proper judicial procedures for all. We should look at that aspect of the bill when we are considering it.

I sat in the House the other day and heard the attacks on the bill by members of the third party, who used, as one so often does in the course of debate, rather outrageous examples. One member stood up and said they had seen a painting that was scurrilous or unattractive. Imagine that. Someone had donated it and received a tax deduction for it. We could all probably go to an art gallery and find some paintings which are unacceptable to us.

In the course of my travels I have been to the Louvre. I was told that some of the finest paintings in the Louvre were, at the time they were painted, offensive, despicable and unacceptable. The whole thrust of the impressionist school when it first came out was quite unacceptable to the public. The paintings which today fetch $50 million were totally and utterly unacceptable to certain people at that time who said: "This is a class of art with which we do not wish to be associated. It does not conform to our traditions. It does not conform to exactly the way we think. Nothing except the way we think is acceptable in this world. We will not accept artistic values or views that are different from what we represent".

That is not the view of the government. It is not the view of average Canadians. Average Canadians know that art, literature and culture must represent a vast gamut of society. There must be tolerance. There must be a willingness to accept that we need an expression of culture in our country that is broad, embracing, and global in nature if we are going to take our children into the next century with a sense of what the world is about.

• (1545)

This bill fits into that. It enables small communities to take artifacts, libraries and things of real value to those communities and give them to local museums and allow them to stay in place so that people can be a part of their own culture. There is nothing lamentable about that. There is nothing to criticize in that. It seems to me to be an extraordinarily valuable contribution we are making.

When we turn to what the third party was complaining about in the House the other day, the fact that this bill enables wealthy people to make contributions to Canada, I think we have to take this into proportion. We have to look around our country and look at some of the contributions that have been made.

In my own riding of Rosedale there is a museum called the George R. Gardiner Museum, of which I was privileged to be a trustee some years ago when I was teaching at the University of Toronto. Mr. Gardiner donated a collection of extremely valuable porcelain to the city of Toronto. That collection is contained in a part of the museum that the University of Toronto helped to build. That is, to use that much overtaxed phrase, a world class collection. It receives world class attention. It receives visitors from around the world. It contributes to the economy of Toronto. People stay in the hotels nearby. They use taxis to get to it. They eat in the restaurants around it.

It is calculated that during the course of the Barnes collection exhibition in Toronto the spin–off effect for the economy of Toronto was some tens of millions of dollars. We cannot forget that not only are we enriching our cultural heritage when we allow, enable and encourage, as this government does, this type of activity, we also enable our economy to be strong. We enable a real contribution to be made to our economy in the form of tourism or in the form of people coming here.

I myself have had the privilege of going to Calgary. Many members of the third party must have visited the Glenbow Museum. The Glenbow Museum would not exist if it were not for measures like this. Where would we be if we did not have that wonderful repository of our First Nations' art and artifacts that are found in that fabulous institution that is the Glenbow Museum, which is a pride for all Canadians, not just Calgarians.

It is measures such as this that make the existence of the Glenbow Museum possible. The Glenbow Museum, the George R. Gardiner Museum, the Royal Ontario Museum and over 300 small and local institutions in this country all have requested this measure to enable them to survive and continue to do the job they are doing so well for Canadians. That is why I support it.

[*Translation*]

If I go to Montreal, I have the opportunity to see the Montreal Museum of Fine Arts. I can visit the architecture museum created through a gift from Mrs. Lambert, an extraordinary museum which has made Montreal famous. People come to Montreal from all over the world to visit these museums which enjoy a worldwide reputation, not merely a local one.

All of these contribute not only to Montreal and Quebec culture but to Canadian culture as well and I dare say contribute to the economy of Montreal and of Canada also.

If we acknowledge that donors, museums, art galleries and professional associations are all lobbying for the right to challenge the decisions of the review board, we must as a government acknowledge that they are justified in making such demands and put into place in the legislation a reliable and valid system for handling this situation.

[*English*]

I would like to conclude along the lines of my colleague from Perth—Wellington—Waterloo, who pointed out that we should keep this in proportion. This is 50 cents on the dollar these people are getting. This is not some huge tax give–away. It is 50 cents on the dollar.

• (1550)

At some point a government, if it is to be faithful to its mandate, must provide cultural objects for its citizens. Do the members of the third party suggest that we should go out, collect the taxes and then buy objects with that tax money? That is a much more expensive way of doing it. This way we get the benefit of the generosity of Canadians who have collected wonderful things during their lives. At the same time, we enrich our communities and we do it in the most tax efficient way possible.

That is why I support what this bill is about and why I support what the government is doing when it tries to ensure that we have a better country that is enriched by the activities of our citizens. We enable them to put their life's work and their life's collections to the benefit of our society and that of our children.

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I have a question for the hon. member.

I come from an area where there is an endeavour under way to establish a new resource of heritage. I am wondering whether or not he sees any mechanism through this bill that would enable in a general way a new facility, a new collection of artifacts to be set up to encourage the general community to bring forward its artifacts in a particular manner.

I will give a little background. We are the oil capital of Manitoba. We have a problem encouraging the oil industry to bring some of those artifacts back into a setting whereby they will be on display. I would ask if the hon. member sees any mechanism that would be available.

Mr. Graham: Mr. Speaker, I am certainly not in a position as someone in the ministry would be to answer a technical question of the nature the hon. member poses.

I think the question has some general value that I would like to address. First, this bill is not directed to the problem or the issue of just collections of art, porcelain or other items of that nature. Anything that is of value to society would be perfectly acceptable, as I understand it, to be the subject matter of a museum or another form of institution.

As a result, I would suggest to the member that what this bill does by putting in place this appeals procedure is it ensures that when the institution of which he spoke is set up and when donations are made to it, which they will be, those donations then will be properly accounted for. There is a procedure whereby if there is any debate about their true value it may be appealed to the courts and we can ensure that for the benefit of Canadians and Canadian society and other Canadian taxpayers that will be done in an orderly way. In that sense, the bill does contribute to enabling what the member would like to see done in his riding.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, one would think we were debating today whether to establish or not establish a tax benefit for the donation of cultural property to the institutions of this country that have the mission of securing for future generations examples of art and literature in its many forms. We are not. What we are doing is debating a fairly minor amendment to the process by which that is done. That is in fact a situation that has been in place for some time.

The Reform Party has been critical of this. I guess I have to ask why. I have also heard the Reform Party say that there are things the government should get out of, that the government should be spending less money, that in any way possible government should be allowing the private sector to do what the private sector can do.

This policy, which has been in effect for many years now, of allowing the private sector to contribute to the preservation of Canadian heritage and culture and to receive a tax credit for their contribution is one way of ensuring that government does not have to do everything in this country—unless one believes of course that a nation should not seek to collect the best heritage examples of art, of literature, of sculpture. I do not

believe the Reform Party is of that opinion, but one would almost think so.

• (1555)

There is a bit of a contradiction here between saying allow the private sector to do more and let government do less and then speaking against a provision that encourages that very kind of private sector contribution to building the nation.

For many years I have had the privilege of living in the nation's capital. Part of that privilege is to share as part of my community the very fine national institutions our country has built over the decades: the National Gallery, the Museum of Nature, the Museum of Civilization, the Museum of Science and Technology. Over the years I have applauded the efforts of those institutions to take their collections and their knowledge to different parts of Canada and share with all Canadians the wealth of the collections and exhibits we have built in this country.

I do not think we can over–emphasize how important it is to the heart and soul of a nation to have a sense of its past. We cannot over–emphasize how important it is for young people to have an opportunity to be exposed to those things that express different points of view, through art of one kind or another, about the world, about ourselves and about our nation.

My colleague from Rosedale just spoke about the attitude toward the impressionists when they first began painting. Our own Group of Seven, who are virtually universally revered, suffered the same lack of acceptance among their fellow citizens when they tried to express in a new way what the country meant and how it appeared.

I said it was important for children to have the opportunity to experience many different expressions, visually and verbally, in music, views of their country and of the world. I go back to my own experience when our own National Gallery was housed in half of what is now the Museum of Nature. It was a very small collection. As a 10–year–old I had the wonderful opportunity of going there on a Saturday morning with dozens of other children, spreading a newspaper on the floor and using bottles of bright–coloured paint and being able to express myself. Then we would spend time looking at the masterpieces. We would have a world–renowned painter like Henri Masson spend his Saturday mornings with young children like me, commenting on our paintings and encouraging and discussing with us the other wonderful works that were in that very tiny gallery. These are the experiences that influence one's perception of the world and of oneself and that change one's future in many ways.

• (1600)

I hope nobody in this Parliament needs to be convinced of the value of a nation building up a reservoir for the generations to come of those things which have been an important expression of our culture and our history and our way of viewing the world.

We are not talking about whether we should or should not have provisions in the Income Tax Act to allow people to gain some credit, and it is only a partial credit, through the income tax system when they choose to donate something which is their own to their country and to their fellow citizens. That has been well established.

All we are talking about is making sure that the interests of the donor, the interests of the institution receiving the gift and the public interest are protected. We are here today to establish a process where the review board that determines the value of such a gift is subject to appeal, so that if a donor is not satisfied that the value that has been put on his or her gift by the review board is adequate, there is an opportunity to appeal.

Why is that important? It is important because a donor may choose to give or not give a gift to the nation, depending on whether it is valued as it should be. If I were to offer a gift to the National Gallery, which the gallery would first have to determine is of national and historical importance, and a review board were to say to me it is worth this much, when I know very well it is worth two or three times that much, I would choose not to give that gift under those circumstances.

If I have an impartial appeal process to go to, to say what is the real value of this and to have it established, then those gifts are far more likely to be made to the institutions of our country.

On the other hand, a donor may have an over–inflated view of the value of an artefact or a painting or a book which the donor wants to give to an institution, in which case the institution has an impartial process to go through to demonstrate to the donor that this is the value of that property and whether he or she still wishes to donate it or not, that is the value which the museum or art gallery is prepared to accept as its value.

I said it also protects the taxpayers and it does. While we want to give tax credits that encourage people to donate in that way, we also want to be sure that those tax credits are based on fair value. We want to make sure there is a process with an appeal built into it in case there is disagreement about those values.

We encourage charitable giving in many ways. We encourage charitable giving toward various causes: health research, programs for children, programs for young mothers, preservation of the environment. In all those cases we give exactly the kind of tax benefit that is being slightly modified in this bill. I cannot help but feel that giving something of great value to the mind and soul of a nation is equally important as contributing to research in a variety of ways. I am surprised that there are those in the House today who would question it.

In fact, I would take this opportunity to encourage the government to look further at how in times of tight financial situations we might achieve other national objectives through the same means.

• (1605)

For instance, there is no reason why someone should not be able to contribute an environmentally sensitive area to the nation for preservation and receive the same encouragement through the tax system to do that as they would do with the donation of an extremely valuable and historically important book.

Perhaps we should be considering a tax treatment that encourages people to preserve and to donate to the nation important historical buildings. Now the tax system seems more designed, according to the National Round Table on the Environment and the Economy, to encourage the demolition of heritage buildings and the construction of new buildings than to preserve existing ones.

I consider this legislation a safeguard of the public interest, the donor's interest and the receiving institution's interest. When a Canadian chooses generously to give something which he or she owns of great cultural value to all of us, I consider this act introduces a safeguard to ensure it is done based only on the proper value of that property.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(6), the division on the question now before the House stands deferred until Monday at 6 p.m., at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

OCEANS ACT

The House resumed from September 26 consideration of the motion that Bill C–98, an act respecting the oceans of Canada, be read the second time and referred to a committee; and on the amendment.

The Acting Speaker (Mrs. Maheu): The House will recall the member for Calgary North had not finished her speech. She is not prepared to go ahead at this time so I will recognize the member for Vancouver Quadra.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, it is my pleasure to resume the debate on Bill C–98, the oceans act.

I had the opportunity to hear the closing minutes of the debate the other day on this bill. It was late in the evening; one was scattering twilight ashes so perhaps there were some misconceptions that might not have been formed at an earlier time of day.

• (1610)

Allow me to correct them by saying what this bill is not. It is certainly not an attempt to rewrite the Constitution Act, to rewrite the Constitution or to change the balance of federal–provincial powers as established under the Constitution Act and under the extensive jurisprudence developed on that act over the last 128 years.

It is a bill with a more modest purpose, although one of great value to the Canadian public and great value certainly to those who have grown up since the last war. It is a compendium, a collection in convenient form of Canada's position on the law of the sea.

International law is made in various ways. The great bulk of it has been made much as the common law of Canada has been made: by custom, practice which by its reasonableness and its acceptance becomes concretized as a rule of custom.

Other parts of the international law of the sea have been made by jurisprudence, by the decisions of the courts of which the International Court of Justice has been a leader, although sometimes national courts spill over. Still further change has been made by legislation, by treaties.

What is not perhaps generally understood is that until 1945 virtually all of the projections of Canada's power in international law of the sea and of the world community's position on the international law of the sea did not exist.

Until 1945 the law of the sea was a law of movement as my good friend, the great French scholar, René–Jean Dupuy of the Collège de France has described it, a law of movement which was concerned essentially in establishing the rights of all parties

that passed freely to and fro on the seas, the concept of the high seas and the concept of a very limited national, territorial sea abridging those limits.

That was the regime which lasted for more than 300 years. It was developed originally as a debate between two great scholars, and the modern law of the sea, as the 300–year old law was then called. It was established by the brilliant Dutch jurist, Grotius, who in essence said the high seas belong to everybody. Everybody has the right of passage to and fro. The national, territorial sea is limited and it is a three–mile sea, no more.

This was itself an heretical doctrine because it overthrew an earlier doctrine established by Spanish and Portuguese jurists and ratified by a pope with a decree in 1494 that appropriated the oceans and divided them between Spain and Portugal. Grotius overthrew this. He was resisted by some sceptical people, including the great English jurist, Selden, but his views prevail largely because they made sense in the world community as it was developing, particularly in the aftermath of the Thirty Years War. But even before the signs were apparent. When he was writing, it was quite clear that the modern state founded on the rules of commerce must have freedom of access to and fro on the seas.

Those were the theories that he presented. Since they corresponded to the needs of the world community they were widely accepted and became the general rules, subject only to very minor exceptions for some special Scandinavian rules and the like and some exceptions that were made by special bilateral treaties very recently. In fact the changes are largely in response to illegal Canadian activities, treaties governing rum running and detention of vessels outside the three–mile territorial sea of the United States. These were directed against Canadian smugglers in the 1920s and were basically British–U.S. treaties.

• (1615)

What this act does, and I think it is its primary purpose, is to give a compendium, give a résumé of the elements in the modern Canadian position of the law of the sea. Our law reflects international law. It is a rule of international law that the general customary rules of international law are part of the common law of Canada. To be operative, treaties as such must be incorporated into our law by legislation. The conventions in the law of the sea to date, until the most recent one, are directly parts of Canadian law.

This particular act is not directed to the 1982 convention, the so–called third United Nations law of the sea convention, but it achieves essentially the same thing because it recites all those additions to the international law that have become part of Canadian law by various Canadian actions.

I should add here that a treaty, even though unratified by a country, may, according to the best jurisprudence of the International Court of Justice, become binding upon a non–signatory, non–ratifying country simply because it is evidence of a general rule of international law binding on all states. This flows from a celebrated dictum of the late president of the world court, Judge Lachs, and it is now generally accepted.

If we look at this legislation we do get for the first time a complete and comprehensive recitation of the segments of the Canadian law of the sea: the territorial sea of course, but the extension of the territorial sea from three marine miles to twelve; a ruling on the contiguous zone, which is itself an extension into general treaty law and then into general customary law of those special American treaties that were designed to cover the rum runners, the smugglers, and not much more. The contiguous zone goes well beyond that today.

Something that was a revolutionary doctrine when it was proclaimed by President Truman for the first time in 1945 is the international law of the continental shelf. President Truman asserted that claim on behalf of the United States defence policy. It was designed, as he said, and there was some evidence for that, to establish a legal basis for early warning systems and the like outside the three–mile territorial sea. But there was also very clearly an economic motive: the development of submarine oil deposits and other mineral resources outside the three–mile limit. So that is the continental shelf.

Then we join forces with another interesting segment to which Canada has very specifically contributed, the establishment of fishing zones. These were originally unilateral assertions by several Latin American states with a poor economy but rich seas in terms of marine fish resources: the unilateral extension to 200 miles of their jurisdiction and enforced against ships owned by Greek shipowners but registered under flags of convenience. It was a heretical doctrine when first asserted, but its reasonableness in a world of diminishing resources was fully recognized and other states adopted this. Canada was one of the leaders in that, first by unilateral act and then by a series of bilateral treaties with other countries.

A further and more interesting doctrine is this doctrine of the exclusive economic zone, which now goes 200 miles from our coast. It has been said by the international court that with a slightly different development the exclusive economic zone might have become unnecessary, that the doctrine of the continental shelf could have been capable of further generic extension. But we face the reality today that the international law has developed in separate steps, not necessarily overlapping.

What we have in this bill for the first time is a comprehensive presentation of the Canadian law, the Canadian recognition and application of the international law of the sea in the different ways in which we have done it. It is a bit more comprehensive than the 1982 international treaty. It covers more matters. These are matters that I would say Canada has pioneered.

• (1620)

I go back here to the great dean of the University of British Columbia law school, George Curtis, who was very active in the two great international conferences in 1958 and 1960 that gave rise to the first great international conventions post–war on this subject. I would also add the distinguished Vancouver and Victoria scholar and long–time legal adviser to the Canadian foreign ministry, Alan Beesley, Ambassador Tommy Koh of Singapore and Judge Aguilar Mawdsley of Venezuela who is now a judge of the world court. It can be said that they developed the modern law of the sea.

Here we discover something that is distinctively Canadian and of which we can be very proud, because it draws together certain imperatives of Canadian society that are widely recognized, perhaps more than ever in western Canada and on the west coast. That is to say that we view the resources of the sea as something to be protected, and it is not a rule of international law and it should not be the case that people can do anything they like as long it is not specifically prohibited in some act that someone can cite. What is being said here, which was the Canadian position in the extended meetings leading up to the 1982 convention, is that there is today an imperative of conservation, that in a world of diminishing natural resources the common heritage of humankind consists of these natural resources and every state has a duty to investigate, to monitor their utilization and to protect them.

In its basic conception this is a modest law, but it does comprehensively state what is the Canadian position on the international law of the sea as applied in Canada. It also goes beyond that and carries forward the thrust of the Canadian interest in conservation, which we have pioneered and successfully demonstrated to other countries.

I have a certain interest in this. In recent months I attended, at the invitation of the UN Secretary–General, his conference on the future of international law. It was at the height of the so–called turbot war which involved our country in a dispute with two other countries. It was a matter of great interest to be greeted by the ambassadors of a number of European countries and to be requested to pass on congratulations to our government for taking a position in terms of conservation of the world's diminishing resources. These people said very frankly: "We cannot be quoted on this. Our government, for reasons of regional solidarity, may take a different position, but something had to be done."

I suppose this really directs attention to the international law–making process. Most of the international law of the sea has been made by unilateral acts of countries. Somebody asserted the principle. Sir Francis Drake and others were the first to challenge, on behalf of Queen Elizabeth I, the Portuguese and Spanish claims to hegemony over the oceans and the appendant lands at the end of the 16th century. However, in terms of the contemporary law of the sea, it is worth reflecting that almost all the customary law results from unilateral acts, which by their reasonableness and the perception that they accord with the trends of history have been considered to be right and proper for the world community.

I think in that respect our actions in the turbot war were right and in conformity with international law. In the House I made that suggestion at the time.

• (1625)

This particular legislation does carry forward the imperative, which has always been part of Canadian post–war thinking and is to be found in the great diplomatic conferences in which we played such a leading part and which were carried on by governments of different political complexions at times but with the same general outlook. While it is true that the international law of the sea has moved from this law of movement, open to everybody, no rulings on property, to a narrower concept of national appropriation of economic resources, those new imperatives resulted from the clear fact that many countries were poor and had no resources and reached out to the fishery and mining resources and the like. Notwithstanding this change, a new drive or a new imperative has been received in international law thinking, and that is the obligation of conservation of scarce natural resources.

If we look at this legislation we will see that it is a modest law. It is perhaps too long. It is true that civil servants in Canada and elsewhere draft laws that are longer and more complex than they need be, but the great truths are there. It is a compendium of the law. We have caught up in our national law with the emerging international law of the sea. In our presentation of that law we are more comprehensive than the most recent 1982 treaty that is at the point of being ratified by Canada.

Also in our law we are providing this obligation of setting up the duty to monitor, supervise and essentially act like a good citizen. In that we fulfil what civil law countries know in their law as the "droit du bon voisinage", the law of good neighbourliness. The common law is less developed than the civil law, and international law has borrowed largely from the civil law principles. It is in that respect that the law is a very good law and is worth commending to the House.

Do not worry about questions of effects on federal–provincial constitutional powers. This law could not change them. They are sufficiently regulated by the Constitution and by the jurisprudence on it. On careful re–reading after hearing some members' questions on that, it is not my conclusion that the law in any way attempts to change that. Look to its larger purpose and accept the fact also that it carries forward the case we successfully made a year ago in the so–called turbot war.

Incidentally, there has never been any doubt in international law that a country's jurisdiction, including its criminal jurisdiction, extends beyond national territory, including national territorial waters. It is a clear principle that acts outside one's territory that impinge on or have effects within the territory are subject to national criminal jurisdiction. In fact, such jurisdiction has been asserted by English courts successfully since the 17th century and is part of the jurisprudence of most countries today.

Therefore, it is my pleasure to commend Bill C–98 to this House as a codification and a progressive development of international law in the best traditions of those Canadian civil servants, politically neutral as they were, who did so much to establish the great international acts I have referred to in my discourse.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a pleasure to speak today on Bill C–98 and in particular the amendment we have called for. The amendment is to put down this bill and refer the contents of it back to the committee. The reason is this bill once again shows that this government is just doing window dressing on a number of serious issues.

I am going to speak to Bill C–98, an act respecting the oceans. It would be a very welcome bill to help ratify the UN Convention on the Law of the Sea if it were something more than just window dressing.

• (1630)

I will explain what we agree and disagree with in the bill and provide some constructive solutions that we humbly submit the government should pay heed to.

We agree and commend the government in its effort to cost cut by streamlining the coast guard and by enacting the partnership programs which will save the taxpayer money, something we would all welcome. We agree with the intent of the oceans management strategy to co–ordinate the oceans strategy across provincial and federal governments.

However do we need to create another level of bureaucracy to fulfil the oceans management strategy? Should this not be the responsibility of DFO? Why not convene representatives from the provinces and the federal government to develop a concerted strategy that DFO would monitor? Why do we need to create another level of bureaucracy to do it? Why do we need to create another group of people to watch people who watch other people, who watch people watching people do some work? This is "Yes, Minister" at its worst.

An hon. member: It is a make work project.

Mr. Martin (Esquimalt—Juan de Fuca): That is right. The minister truly believes that he is as interested in sustainable development as we all are, but from what I have heard in the House on the issue the facts bear that this is nonsense.

I will tell the House what has been happening on both coasts, in particular the west coast where we are trying to avert the disaster that occurred on the east coast. I have repeatedly warned the minister of the devastating poaching that is taking place on the west coast. We have seen very little being done about it. The proof is in the pudding. All we need to do is look at the catchments that have come back this year in so many different fish species to see the devastation that has been wracked on our west coast fish species. There is a lot of poaching going on. I will give some examples.

In Mill Bay in my riding there was a three–day salmon derby which 300 fishermen attended and caught seven salmon. On Hornby Island just a couple of months ago there was another salmon derby. The third prize winning fish was a dogfish because nobody caught any salmon. That is what is happening in the west coast salmon fishery.

It is affecting groundfish and other species. One could not catch a ling cod if one's life depended on it. Shellfish are being decimated. The abalone fishery was closed in 1989 on the west coast. Yet there is widespread poaching of abalone all over the west coast. Just recently the ex–head of the Vancouver aquarium said that a large population of Asian individuals are pillaging the shellfish off Stanley Park.

I invite the minister and the parliamentary secretary to come to Vancouver Island to see the decimation of the shellfish stocks. A number of Vietnamese individuals on Vancouver Island have been pillaging shellfish all over the island. DFO has been unable to deal with the problem. It is a huge problem as our shellfish stocks are being significantly affected. Furthermore the poachers are taking shellfish out of polluted areas.

Seiners are vacuuming the ocean off Vancouver Island. Since 1957 when the seiners first started catching salmon there has been a reproduceable inverse relationship between the intensity of seine fishing, the numbers of spawners that are coming back and the catchment by sports fishermen.

Just a couple of years ago there was a revenge seine fishery to penalize the Americans, yet we decimated our own fish stocks. That is not sustainable management, but that was the decision made by the ministry.

All salmon species are being decimated. All one has to do is go up the Fraser River to see what is happening. There are nets strung from one end to the other. Aboriginal people are stringing nets across the river and are pillaging and raping the fish stocks. The ministry knows that. It should be coming down on individuals who are hiding behind the aboriginal fish strategy to poach fish. They have been unwilling to do that because it is politically incorrect. I strongly advise the ministry that for all people, aboriginal and non–aboriginal people, it should have one com-

mercial fishing strategy. It should enforce the laws for all people regardless of who they are.

• (1635)

Fish know no bounds. They do not care who is pillaging them, but there are individuals hiding behind their ethnic origins who are doing it, and because it is not politically expedient the DFO is unable and unwilling to deal with it.

I do not blame the officers because they are hamstrung by mid–level bureaucrats that are hamstringing the minister. Part of the problem is in the bureaucracy. When DFO was reorganized it transferred decision making from hardworking DFO officers in the field to mid–level bureaucrats in Ottawa and Vancouver. The number of DFO officers went down.

The result is that decisions are made a distance away from where the actual poaching is taking place. What we see are decisions that do not actually affect the problems in the fisheries. It has also contributed to the decimation of fish stocks on the west coast.

I actually commend the ministry for increasing the numbers of fisheries officers somewhat, but I bring to its attention that it has also increased the bureaucracy. I give the example of what happened in my riding in Sooke where they closed the only fisheries office and increased the bureaucracy in Victoria.

The result has been greatly increased pressure from poachers within Vancouver Island and poachers coming across the Strait of Juan de Fuca from America. They know full well they cannot fish in their own waters because of the decimation of the stocks. Therefore they come to good old Canada and decimate our stocks. They know they will not be penalized because fisheries officers are unprepared to deal with them.

I bring to the attention of the ministry that the morale of DFO officers is at an all time low because mid–level bureaucrats have hamstrung them. They have made it unable for them to do their job or to acquire the means to do their job. The ministry needs to investigate the loss of morale. It is losing a lot of good people who have historically done a great job in fisheries.

Another aspect is that groundfish are being decimated. We find that trollers are decimating the reefs all over the west coast in an effort to extract whatever fish are there. These delicate reefs are being smashed to pieces.

We need one commercial fishing strategy. We also need to decrease the number of nets in the water. There are simply too many nets right now to make the extraction of species sustainable. We also need to decrease seiner activity and have a release program for adult Chinook salmon, which is possible if the weather is co–operative.

We should try to preserve sports fishing capability, the reason being that sports fishing injects on a per fish basis much more than the commercial fishery, about $37 per fish.

We should enforce the law we have right now. I implore the ministry to enforce the laws we have. It has not been doing it. The poachers are aware of it and taking full advantage of the situation.

There should be commercial fishing strategy for all people. We should not allow poachers to hide behind the aboriginal fishing strategy for their own personal financial gain, at the expense of all honest fishermen from all walks of life.

We need to push for an extension of our jurisdiction beyond our 200–mile zone. There is a doughnut in the Pacific Ocean where immature salmon go to fatten up. International poachers are pillaging that doughnut of fish which normally come back to us. The issue was investigated years ago. For a number of reasons the investigation was quashed internally. We need to try to enforce through international agreement the preservation of that area so we can ensure that a reasonable number of fish will come back to us.

• (1640)

We also have to deal with the dumping of toxins that is occurring not only in our country but in others because they wind up in our ecosystem. I remind everyone of who is at the pinnacle of that ecosystem. The number one predator is man. This is what happens. Toxins are accumulated in an individual. The higher up one is in the predatory system, the more the toxins become concentrated and the greater chance they have of becoming carcinogenic and teratogenic.

I strongly advise the minister to work with science research and development in the Department of the Environment rather than have the department work in isolation. There are many very talented and skilled scientists in the Ministry of the Environment who are doing a lot of incredible work on the issue of sustainable development with respect to the oceans. I suggest they tap into that resource for the benefit of the fishery.

I also suggest co–operative effort between other ministries and a leadership role for DFO. I know it can play this role because it has many very talented people. We are looking for somebody to take a leadership role among the ministries and we have it within our capabilities.

The minister claims, as I have said before, that he is very much in favour of sustainable management of our resources. Yet in British Columbia he is closing down hatcheries left, right and centre. They closed the hatchery down in Sooke. If we did not have those hatcheries we would not have a fishery. That is the cold hard reality. If we do not have them the number of spawners coming back are negligible.

I propose the Minister of Fisheries and Oceans should start up a sustainable hatchery in my riding near Sooke. The start–up costs are $1 million with a quarter million dollars per year. It could be self–financing in four years. I ask him to look at the proposal. It could inject over $90 million into Vancouver Island. Furthermore it would be self–financing. We just need some co–operation from the ministry to do it.

I would also like to look at the area of aquaculture. We were a leader in aquaculture a few years ago. However, because of mismanagement and a lack of support from governments, Chile has now taken over from us in the aquaculture industry. We as a country can play a leadership role internationally in aquaculture.

Some very good work is being done in a vet college on Prince Edward Island and at the University of Prince Edward Island on research in aquaculture that could enable Canada to garner a niche in aquaculture and become a leader in the area. The economic spinoff benefits for the west coast would be huge.

I hope the Minister of Fisheries and Oceans will look into the matter and work in co–operation with the University of Prince Edward Island, and other universities that are similarly doing other exciting work, for the benefit of the people of the area and for the benefit of the resource.

The minister also claimed that he was interested in looking at protecting spawning sites. I completely agree. Yet we do not have adequate data on the spawning sites as they exist. We need to acquire them.

There is another aspect. There are other fisheries involving sea cucumbers, sea urchins and geoducks for which there is an open fishery. That would be absolutely fine except for the fact that we have absolutely no idea what stocks there are in these areas. We need to establish what the stocks are before we move ahead and cull a sustainable number of these species, to maintain a sustainable resource in these other shellfish species for the future.

Bill C–98 has a lot of good intentions. Unfortunately it falls far short of what it was meant to be. I hope the ministry can ask for the opinions of people in the areas that are being affected by the fishery. I hope and pray we will not have an east coast disaster on the west coast. As we stand here now, poaching is widespread through virtually every species we can imagine. The only people who are going to be hurt are future Canadians.

• (1645)

I implore the minister once again to enforce the law for all people regardless of who they happen to be. It is not politically incorrect to enforce the law because the people who are poaching are of an immigrant population or are aboriginal people. It does not serve those people within those groups or any other group who are honest individuals within the industry and are working within the legal framework of that industry to have any group of people within their population poaching the fish and other fish species.

We need a sustainable fishery in this country. We can have a sustainable fishery in this country but we can only have it if the Department of Fisheries and Oceans shows the leadership it is obligated to show. I and my colleagues in the Reform Party would be more than happy to help the government to work toward that end. It just takes the political will, strength and courage to do that.

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Madam Speaker, I listened to the hon. member and I would like to commend him on some interesting ideas he has put forward. I took notes on many of his concerns.

He spent some time on ensuring that enforcement and law and order is very important. The Reform Party often puts forward that if there are people illegally fishing or poaching we should take action. He would know that the Reform member for Delta was charged with illegally fishing and that whenever anyone does not abide by the law they will be charged as the member was under the DFO act.

The member also talked about enforcement. He knows that one of the things we have accomplished this year is we were able to get an increase in the budget for enforcement. This is not an easy thing to do these days when there are tremendous budget cuts. As the Reform Party often brings forward we should be cutting the deficit and cutting our costs but this is one area where people such as the hon. member and others have told us that we need more enforcement. Therefore more enforcement has been added on the west coast. It is the one area where there has been a budget increase.

The hon. member talked about the sports fishery. He knows that the sports fishery is very important from a tourism point of view in developing that whole industry. Would he and his party designate the chinook and coho as an exclusive sports fishery? I am interested to know his view on that topic and what his position would be.

I also would like to hear his view on our new aquaculture strategy. I wonder whether he feels that is the right direction and whether he agrees with our new aquaculture strategy which was just brought in by the minister. We think aquaculture is very important. I would appreciate it if the hon. member could respond to those questions.

Mr. Martin (Esquimalt—Juan de Fuca): Madam Speaker, my colleague did indeed put his nets into the water. Quite bluntly, the reason he put his nets into the water was to show that the law was not being enforced equally between aboriginals and non–aboriginals. I cannot comment on a situation that is going to be before the courts but the motivation was frustration. The

facts are that the laws are not and were not being applied equally to both aboriginals and non–aboriginals.

I just draw from a safety point of view the poaching I mentioned earlier along the Fraser River where aboriginal people were extending their nets right across the river and taking as much as they could possibly take. This was done in front of DFO officers. The DFO officers would not go in there because they were afraid of being shot and killed. I do not blame them but that is the reality under which we live.

• (1650)

I would like to also ask if the taxes that are going to be applied to catchment also apply to aboriginal and non–aboriginal commercial fishermen. Do they also apply to commercial fishermen under the AFS? At some time in the future I would like to know the answer to that.

The hon. member asked me about the chinook and coho fisheries. We know the numbers of both are declining quite dramatically and I would put the ball back in his court. Our first concern is to ensure we have adequate chinook and coho coming back into our waters as spawners. That is not happening right now. If we enable the hatcheries to occur, such as the one I mentioned which can be sustainable, then in time when we get a sufficient number of chinook and coho back, yes we could have a commercial fishery in that.

The overriding concern we must have is to ensure that our chinook and coho and every other species are going to have sufficient sustainable numbers in our waters so that this resource can be increased over time. When it gets to a level that is considered to be sustainable, I am sure the ministry will have enough data to show how many fish can be taken off in a sustainable fashion in a commercial way.

The aquaculture suggestions I mentioned to the hon. member are suggestions I have not seen put forth in any area by the ministry. If it is there, I would certainly like to be made aware of it. To my knowledge and from what I have seen, there is no record of the other constructive ideas I have put forth to the hon. member with respect to maximizing our aquaculture capabilities within Canada.

As I said before, I have no doubt that Canada can be a world leader in aquaculture because we have superb research taking place now. There is no reason that not only can we do this domestically but there are also enormous international trade possibilities in aquaculture existing around the world. In the future with our resources being decimated, we are going to need new sources of protein to feed the burgeoning populations in this world. Aquaculture could provide a large part of that protein.

There are great opportunities for Canada. I am sure the hon. member will pass that information back to the minister so he can act on it forthwith.

Ms. Roseanne Skoke (Central Nova, Lib.): Madam Speaker, I rise today to speak to Bill C–98, an act respecting the oceans of Canada, at second reading and to address the amendment before this honourable House.

It is a privilege to support Bill C–98 in principle and to support its objectives and its implementation. The people of Central Nova applaud the due diligence and leadership role the Minister of Fisheries and Oceans has played in our country since assuming his responsibilities as Minister of Fisheries and Oceans.

Thanks to the Minister of Fisheries and Oceans, our Canadian people have a renewed hope, a new vision for our coastal communities: protection for our fisheries and oceans. Finally, we have a human face of compassion amidst our fisheries crisis in Canada.

On Tuesday the Minister of Fisheries and Oceans addressed this House on the oceans act and its importance to the maritime nation which is Canada. The vision of the Minister of Fisheries and Oceans is to make Canada a world leader in oceans and marine resource management through this legislation. He enunciated for us the mission which this government has set for itself, to manage Canada's oceans in close co–operation with others so that our oceans are clean, safe, productive and accessible.

In my riding of Central Nova there exists the north shore and the eastern shore of the Atlantic Ocean. My constituents applaud the vision of the Minister of Fisheries and Oceans which he boldly pronounced on November 15, 1994 in the document "A Vision for Oceans Management". This document is based on the recommendations of the National Advisory Board on Science and Technology Report on Oceans and Coasts. At that time the Minister of Fisheries and Oceans said: "It has been long recognized for a long time that there is a need for one act to clearly assert Canada's sovereign rights and responsibilities over its oceans and territories".

• (1655)

Our minister of fisheries pointed to the proprietary pride which Canadians have in their oceans: the Atlantic, the Pacific and the Arctic. These are fundamental to much of our existence, individually and as a nation. They have provided the means of transportation, trading, communications and subsistence from time immemorial. Generations have depended on our oceans for food, clothing and even medicine.

Canada with its three coasts has the longest coastline in the world and the second largest continental shelf spanning more than six and a half million kilometres. As the Minister of

Fisheries and Oceans pointed out in his vision document, Canada's oceans are equal to half of our territorial land mass and have been a key to our evolution culturally and economically. Fisheries, transportation and shipping, tourism and recreation, offshore oil and gas have all been beacons of hope and economic stability for numerous coastal communities along all three oceans.

In his 1994 vision paper the Minister of Fisheries and Oceans related as well the need to diversify our reliance on the maritime resources in light of the collapse of groundfish stocks along the east coast and in light of ever increasing stress being placed on the maritime habitat by our society. Critical habitat destruction, foreign and domestic overfishing, as well as marine and atmospheric pollution were all cause for concern.

This government recognized that a new oceans management regime was needed, one based on an ecological approach and on the development of an integrated management system for all activities affecting oceans and coastal waters. The time had come. The wake–up alarm had sounded for all Canadians to turn away from the band–aid measures of short term need to a policy which would result in the sustainable use of resources and environmental protection.

Through the Minister of Fisheries and Oceans the Government of Canada identified several key objectives of any new legal instrument:

First, to preserve and protect the oceans' environment, the ecosystems and resources they contain. Second, to establish a framework and guidelines to manage the oceans' resources, both renewable and non–renewable, on an economically sustainable and environmentally acceptable basis. Third, to enhance, focus, co–ordinate and disseminate Canada's scientific, environmental and management information relating to oceans and their resources. Fourth, to assert and enforce Canada's sovereign rights and responsibilities over its ocean resources and areas. Fifth, to establish the legal framework to support the implementation of this oceans management strategy. Sixth, to establish a clearly identifiable lead federal agency accountable for oceans management.

As the minister suggested, this should best be initiated by the development and passage of Canada's oceans act. As the minister pointed out to the House, Canada's oceans policy at present is like a big jigsaw puzzle, the pieces all scattered in front of us waiting for us to fit them all together. It is not easy to visualize the entire picture without seeing the box which the puzzle came in and its cover illustration. However, a great deal of work has gone into visualizing what the whole picture must be and determining a logical pattern for the pieces to be placed together, pieces as diverse as deep ocean research and cold ocean rescues, inspection and protection, emergency responses and sustainability, conservation and commercialization, navigational safety and national security, national goals and regional initiatives, restoration of our marine resources, and job creation.

We all know that it will take many minds to finish the puzzle in time for all Canadians to enjoy the results of the effort. From the outset this has not been the vision of one person or one group of persons imposed upon the rest of us. The Minister of Fisheries and Oceans has signalled clearly his openness toward full participation in the process so that all sides of the House, all stakeholders, all organizations, disciplines and sectors of society having an interest in our oceans can contribute.

• (1700)

Consultation has been a hallmark of the government in the carrying out of its responsibilities but the minister has sought more; namely, a partnership for a successful conclusion to this challenge; this beckoning to us from the future generations of Canada.

Through this legislation, Canada will be bringing into its own domestic law provisions for 200 nautical miles from its low water line to which it is already entitled as part of the modern international community.

Canada is taking on its rights and responsibilities as a member of the global community, a community with a growing realization that our actions are all interdependent, whether at the most local community level or at the level of global interaction and co–operation for survival.

The oceans act makes it possible for the federal government to solicit and expand partnerships in the many enterprises involved in scientific research, maritime communications and safety, fisheries conservation, management enforcement, underwater exploration and seabed mining, the understanding and sustainable exploitation of marine plants, the maintenance of trading routes through block ice.

It makes us all working shareholders in the development of a flexible, workable and ecologically sound ocean strategy for today and for the future, one well in keeping with Canada's motto, from sea to sea to sea.

This is a vision of Canada as being much more than the Rockies, the Laurentian Shield and great plains between them, of great cities lining up at our southern borders; it is also a view of myriad port cities and coastal communities, of diverse marine activities extending economic and social benefit to future generations brought to us by the rolling swells and rippled waves of blue beginnings at the edges of our land maps.

The oceans act is a vision of the Minister of Fisheries and Oceans and of the Government of Canada. However, it is more than that: in its ink and paper, in the millions of electronic impulses and images which have gone into its preparation and discussion and communication from this very Chamber, it represents the aspirations of millions of Canadians.

It is a declaration by a maritime nation that it will continue to shoulder the challenges of the present but that it welcomes the support of all concerned as it navigates into the future.

A special thank you to the Minister of Fisheries and Oceans from all Canadians for Bill C–98 and for recognizing the importance of the maritime nation which is Canada.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Madam Speaker, I am pleased to rise in support of the oceans act and, in so doing, to pay tribute to its author, the Minister of Fisheries and Oceans. In the short time he has occupied that post he has shown exemplary leadership by leading our country through one of the worst crisis in the Atlantic fishery and turning that difficult situation on the Atlantic coast, and as well in other respects on the Pacific coast, into an opportunity for Canada to assert its pride as a nation internationally and its sense of leadership on behalf of the world's oceans.

The oceans act which was tabled on Tuesday and which the minister addressed on Tuesday is, as he has pointed out, legislation that constitutes one element, but a major element, in the overall strategy of the Department of Fisheries and Oceans to intensify its effort toward the oceans and will be complemented by a number of other policies and activities in the months ahead.

The objectives of the oceans act are to recognize in domestic law Canada's jurisdiction over its ocean areas and their resources, to provide the legislative framework for a new oceans management regime and to regroup key federal ocean related statutes under the oceans act.

The legislation consists of three parts, each of which contains the regulatory enforcement and operational authorities required for its implementation.

• (1705)

Part I is Canada's maritime zones. This part defines Canada's maritime zones by incorporating provisions of the Territorial Sea and Fishing Zones Act. It declares Canada's rights and jurisdiction over the contiguous zone and the exclusive economic zone and it defines the minimum limits of Canada's continental shelf as provided for by the United Nations Convention on the Law of the Sea.

Let me point out that the declaration of the contiguous zone and of an exclusive economic zone is in full agreement with international practice. The limitation of Canada's maritime zones also outlines the area over which Canada will now apply its new oceans management strategy.

In accordance with the government's efforts to consolidate key ocean legislation under the umbrella of the oceans act, provisions of the Territorial Sea and Fishing Zones Act and the Canadian Laws Offshore Applications Act are incorporated into the this bill. This legislation further emphasizes Canada's rights with respect to the continental shelf. Canada has rights to living organisms belonging to sedentary species on or in the shelf and jurisdiction over the exploration and the exploitation of minerals and non–living resources of the seabed and of the subsoil.

The declaration of Canadian jurisdiction over the territorial sea and the contiguous zone and the exclusive zone is crucial. Most Canadians may not know these technical terms, but many Canadians will have heard the phrases 12–mile zone and 200–mile zone. Canada's territorial sea extends from the coastline out 12 nautical miles. In the territorial sea Canada has full jurisdiction to ocean waters, to the seabed beneath these waters and the space above.

The contiguous zone will extend an additional 12 nautical miles from the outer edge of the territorial sea. In this zone Canada will have the power to enforce our criminal, fiscal, immigration, sanitary and customs laws.

The exclusive economic zones will encompass all of the ocean area out to 200 nautical miles from the coastal baseline. In this zone Canada will have jurisdiction for exploring and exploiting, conserving and managing the living and non–living resources of the waters, seabed and subsoil. Canada's jurisdiction in this zone will cover marine scientific research, protection and preservation of the marine environment and artificial islands, installations and structures.

Through this legislation Canada will establish major new rights over the ocean. In the councils of the world Canadians pushed hard to establish these rights. These new zones grant Canada powers that go well beyond the powers our country asserted in the past. The bill will put in place a clear definition of jurisdiction that is fully supported by global agreement.

The Minister of Fisheries and Oceans expressed this clearly on Tuesday in the House when he stated: "The world backs Canada's jurisdiction over Canadian waters".

This brings me to part II, oceans management strategy. This part commits us to the development of a new method by which we shall manage the oceans and their resources. It identifies the Minister of Fisheries and Oceans as the federal authority responsible for the co–ordination and facilitation of the development and implementation with stakeholders of an oceans management strategy. It provides the minister with the necessary statutory authority to do so. This part also authorizes the minister to create marine protected areas for the protection of the fishery resource.

Let me review the goals of the strategy outlined in the legislation. One goal is to integrate planning and management of activities within and among jurisdictions. Another is to reduce regulatory duplication and conflict. Still another is to increase the effectiveness of environmental protection measures and to

replace the existing sectoral approach to resource management in favour of a more comprehensive ecosystem–based approach.

The act thus provides the building blocks for integrated management and sustainable development of Canada's ocean resources. It outlines a new ecosystems approach to marine resource management. It provides a common focus for federal responsibilities and consolidates federal programs. It gives Canadians legislative tools with which to begin working on ocean management holistically, rather than sectorally.

• (1710)

We have long known the need for sustainable development of resources. This need was clearly put forward in the report of the 1987 World Commission on Environment and Development, better known as the Bruntland report after its chairman, Gro Harlem Bruntland, now Prime Minister of Norway.

Here is how the commission defined sustainable development: "Activity in which the environment is fully incorporated into the economic decision–making process as a forethought, not an afterthought". The report called for: "Development that meets the needs of the present, without compromising the ability of the future generations to meet their own needs". The government is acting on the commission's call.

Last year the National Advisory Board of Science and Technology called for an oceans act to address the needs of ocean frontier development for the present and the future. The advisory board called for Canada to develop a proactive oceans policy that plans for the future, rather than just responds to crisis.

In November 1994, the Minister of Fisheries and Oceans released a document setting out the potential elements of an ocean management vision for Canada. The government sought the advice of Canadians across the country. Certain themes recurred in that advice. The federal government has a leadership role to play in oceans policy. There should be one federal department taking the lead in developing a new strategy. People want to be involved locally in developing solutions to regional priorities. There is a need to sustain resources and to diversify.

Such was the advice we received. It came from provinces, municipalities, coastal residents, fishermen, business, labour, environmentalists and scientists. The bill before us sets out the elements of an oceans policy. But all Canadians must be involved in developing specific mechanisms, planning and management structures, as well as the guidelines and standards needed to bring about sustainable use of oceans and their resources.

The oceans management strategy envisaged by this legislation is broad in scope and flexible in implementation. It recognizes the consensus building that is needed for a cohesive and coherent oceans policy for our country.

Again, let me quote the Minister of Fisheries and Oceans from his address to the House on Tuesday: "The bill identifies federal leadership and commitment to a comprehensive approach to oceans management. The bill seeks to address regulatory duplication, conflict and inadequacies that result in inefficiencies, failure to protect the environment and impediments to development and this bill is founded on the principle that long term solutions require long term co–operation".

The oceans act will give the Minister of Fisheries and Oceans, on behalf of the Government of Canada, legal authority to draw together all of Canada's ocean stakeholders, to develop a strategy based on the sustainable development and integrated management of activities and resources in estuarine, coastal and marine waters.

The act provides the authority to develop the actual mechanisms to implement the new strategy. It gives the Minister of Fisheries and Oceans the ability to enter into new partnership agreements in order to ensure that the ocean management strategy meets regional needs and fulfils regional aspirations.

Part III deals with the powers, duties and functions of the minister. This part provides for consolidation and clarification of federal responsibilities for managing Canada's oceans. It reflects the enhanced mandate of the Department of Fisheries and Oceans and it provides statutory authority for Canadian Coast Guard functions transferred to the Minister of Fisheries and Oceans. Those functions include provision of services for the safe, economical and efficient movement of ships in Canadian waters; the marine component of the federal search and rescue program; pleasure craft safety and marine pollution prevention and response, as well as ships, aircraft and other marine services in support of other federal programs, boards and agencies.

• (1715)

Oceans related provisions previously contained in other legislation have been incorporated into this section of the act. Most notable is the authority of the Department of Fisheries and Oceans to conduct hydrographic, oceanographic and marine scientific surveys, to conduct research and to publish various products.

As the Minister of Fisheries and Oceans observed at the last debate on the oceans act, with this legislation we are coming to the successful conclusion of a long and dramatic chapter in Canada's maritime history. With this legislation we are coming to the beginning of a new and even more vital chapter in that history.

The Canada oceans act will give our country and exclusive economic zone covering almost 5 million square kilometres of the Atlantic, Pacific and Arctic Oceans. With the passage of this

act Canada will effectively increase by one–half as our jurisdiction will encompass both the land mass and the oceans.

As the Minister of Fisheries and Oceans said, the Canada oceans act does expand our notion of Canada as a country. The oceans management strategy increases the priority we place as a society on wise development of our waters. It signals that Canada and Canadians are prepared to act in making the most of our ocean assets, opportunities and obligations.

The fisheries and oceans minister has aptly described the Canada oceans act as the last step forward toward formal jurisdiction over Canada's ocean territory. However, the act is also the first step toward recognizing the extraordinary importance and potential of this vast territory.

In legislative terms the bill establishes jurisdiction over Canada's ocean area and ocean resources. It establishes the primary rules and provides the tools to help support Canada's new oceans management regime. It consolidates and clarifies federal responsibilities for managing Canada's oceans.

In real life terms the bill marks a transition in Canadians' relationship with our oceans. It marks an acceptance of reciprocal obligation; as the oceans benefit us, so we are agreeing to act to benefit the oceans.

The oceans act signals a renewal of Canada's leadership in oceans management. With this act we are asserting Canada's role as a world leader. Sustainable development is a goal to which all nations must be committed, not only of the fisheries resource but of all ocean resources.

There may be seven seas but there is only one ocean. The oceans make up one single global organism connected by great currents flowing from hemisphere to hemisphere. Oceans play a vital role in regulating our climate. Oceans also play a key role in the water cycle, the chemistry of the atmosphere and the making of climate and weather. Oceans also supply us not only with food but also energy, minerals and medicines.

With the oceans act Canada will be in an even stronger position to show the world the way of conserving ocean resources. As the member for the Cape Breton Highlands—Canso, a constituency which depends greatly on the oceans near its coasts, be it for fishing or as a vital link in eastern Canada for ocean protection, for conservation and for environmental response through the Strait of Canso, I am very pleased to greet this Canada oceans act and the co–ordination and consolidation that it represents in Canada's oceans policy.

I am pleased also to support the government in bringing this legislation forward as well as the initiatives which will flow from this initiative in expanding Canada's sense of responsibility over the oceans and also in continuing the leadership which our Minister of Fisheries and Oceans has demonstrated to the great pride of all Canadians in taking the lead in the world in managing our ocean environment.

• (1720)

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Madam Speaker, I listened with interest for the last several hours to the debate with regard to this bill.

I find something very disturbing as I look through it. I have been very involved in Bill C–68, the gun control bill. Now I look at Bill C–98 and at many other bills before the House and there is a trend that disturbs me very much, a trend toward centralizing power in Ottawa, the big bubble, the place that seems to lose touch with the concerns of grassroots Canadians, the concerns that people have out there trying to make a living, trying to find a livelihood they can depend on. This bill does not address that. In some instances it makes it even more difficult. Let me explain.

A bloated bureaucracy is being developed. There is the minister centralizing power within his office. It is a very top heavy administration, just like in agriculture, an area I am very familiar with. A study was done. In agriculture we have approximately 1 bureaucrat for every 5.8 farmers.

If we look at the fishing industry, how many bureaucrats does it take for the fishermen to fish, to do their work? We have through this bill even more of this type of bureaucracy developing.

I listened to what was said, things like we need to co–ordinate, we need to do all these wonderful things. Are they just euphemisms? Are those code words for more bloated bureaucracy?

I look at other things in the bill. The governments says it will need fees to cut back on the deficits in this area. This is just another word for taxes these fishermen will have to pay.

It was an eye opener for me to go to New Brunswick a couple of weeks ago, to the southwestern part of the province, and talk with the fishermen who are being squeezed out of the fishery by the regulations the government is putting in place, by the taxes in the form of fees which are driving these fishermen out of work. I find that unacceptable. The bill makes that even more possible. We have to start addressing the real concerns of real people out there.

Is it the intention of the government to give big corporations more power to fish? If we talk to the people out there they will tell us about the draggers, the big chains destroying the environment. I hear the member speaking about how the government will protect the environment and protect all of these things. That is not happening. That is not the reality of what is happening.

These people are allowed to fish and the handliners are being restricted. They are not being allowed to fish. It does not make sense that we allow these huge boats that carry these big chains or drag these big nets to fish every day of the week but the handliners are being restricted to one or two days and sometimes not even that.

We have a real problem and the bill does not address that problem. The government is out of touch with reality. It is becoming obvious to Atlantic Canadians that big central government, just like it has become obvious to the Bloc and the people of Quebec and the people of western Canada, is attempting to centralize power and this big central government grabbing this power is not the answer to the needs of people out there. That is a big problem.

What about allowing more fishermen a say in their industry? Is there anything built into the bill, any structure, whereby they can have elected boards or make their bureaucrats and politicians more accountable? I do not see it. It is not there.

It sounds so good to have Ottawa co–ordinate all this stuff. I think it is just another euphemism, another excuse for more big government.

The bill also makes it possible for special interest groups to influence the minister and the bureaucrats to get their way. That is probably happening already at this time.

• (1725)

The government could have done things like extend the 200–mile limit to solve some of these problems, but they are not in here. The teeth for this I do not find in the bill.

In Canada there are over 6,000 department of fisheries officials managing 65,000 licences. It sounds just like the department of agriculture, a huge number of bureaucrats. The fishermen do not warrant such numbers.

The department operates with a budget that exceeds $750 million to administer it. Clearly there is room for a little cost cutting at the very top, and not simply increasing the fees of the fishermen. Perhaps the minister could lead by example and save a little money on his office furniture. That was a concern; maybe one less oak table could have helped one more fisherman in Atlantic Canada. It would say the minister and the department are not treating the fishermen with absolute disdain if there were some cutbacks made by him and by the department.

It is adamantly clear the Minister of Fisheries and Oceans is not committed to downsizing his bloated department. He would rather try to slip a new level of bureaucracy into his department under the guise of broad consultation rather than deal with the harsh realities of downsizing.

Has the minister not got the message? Canadians want less government. Everywhere I go they repeat government members should be listening but they are not. Canadians want less government.

What the Atlantic fishermen tell us in no uncertain terms is their distress over the licensing fees for Atlantic Canadian fishermen is a very serious matter. The Department of Fisheries and Oceans wants to collect $50 million in access fees from the fishermen who ply their trade in the waters off the coast of Atlantic Canada.

These fees are just taxes, as I have already explained. No matter how the Liberals dress them up they are simply more taxes. Fees are nothing new to the industry but it is irresponsible for the government and the minister to subject the fishermen of a region already devastated by mismanagement to further hardship.

These people are having a rough time. They cannot afford this. Talk to them when they have to increase their fees from less than $100 to four times that amount. Some of them will have to pay up to $16,000 if they want to fish in certain parts of the industry.

It is ridiculous that a government would expect them to come up with that kind of money. That is more than their net income in an entire year. This tax will only make things worse for the fishermen. It will be an unbearable burden on all fishermen from coast to coast, not just the people of New Brunswick, Nova Scotia, Newfoundland or P.E.I.

The tax increase will be enormous. The Department of Fisheries and Oceans collects about $13 million in licence fees and its goal is to increase this to $50 million, three to four times the present amount. That is totally unacceptable.

Any Atlantic Canadian MP who speaks up for the fishermen in his or her own riding knows well they may end up in political oblivion. The bureaucracy that has developed within the Liberal Party, within this Ottawa bubble, has made it so that the common people cannot even have their voice heard.

Another problem is that in the future any decisions made on the new fees will be through governor in council decrees without parliamentary scrutiny. We saw the same thing on gun control, Bill C–68.

The minister gives himself absolute power to make these regulations, to do these things behind closed doors. That is not acceptable in this day and age. We need to open things up. We need to give the fishermen a voice in what is happening in their own affairs.

What message does this send to Canadians on the accountability of government? Governments need to be more accountable and I do not see it happening in the bill. I wish I could go on. I appreciate the time I have had to represent the people of New Brunswick. I hope the government will listen.

[*Translation*]

The Acting Speaker (Mrs. Maheu): It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

IMMIGRATION ACT

The House resumed from May 29 consideration of the motion that Bill C–316, an act to amend the Immigration Act and the Transfer of Offenders Act, be read the second time and referred to a committee.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Madam Speaker, it is a pleasure to speak on Bill C–316 today. I would like to take this opportunity to congratulate the hon. member for Cambridge for his efforts in this regard.

The intent of the bill is simple: non–citizens convicted of serious criminal offences in Canada should be deported. There is nothing earth–shattering in this idea. In fact, it is currently the law of the land.

Bill C–316 attempts to bring some certainty to the process by having the deportation incorporated into the offender's sentence. I can see why the hon. member for Cambridge found it necessary to try to bring some certainty to the process. It is not there now.

Many who have spoken in opposition to the bill, including the parliamentary secretary to the Minister of Citizenship and Immigration, have stated that what we have in place now is more than sufficient. The reality is that there are major deficiencies in our present legislation, even with Bill C–44. On occasion these deficiencies have outrageous and tragic consequences.

I would like to advise the House about a current case taking place in British Columbia. On September 23, 1993, Hector Lopez–Tello, a Guatemalan refugee claimant, was convicted of drug trafficking and ordered deported. He was allowed to remain in Canada while he appealed the deportation order. On April 28 of this year Francisco Castro, a refugee claimant from El Salvador, was also ordered deported after being convicted of drug trafficking. He was also allowed to remain in Canada while he appealed. On May 7 Lopez–Tello, Castro, and a third refugee claimant were arrested and charged with the second degree murder of 24–year–old Matthew McKay. The three murder suspects appear in court on October 16 of this year.

Meanwhile, McKay left behind a wife, a 16–month–old daughter, and a mother who wonders about Canada's justice system and immigration system. She should wonder. How does a man like Francisco Castro get to continue to walk the streets of Canada when, according to an IRB spokesperson, he had an extensive criminal record for trafficking in a narcotic?

We provide the man with refuge and instead of thanking us he involves himself in the drug trade. When he is ordered deported he takes advantage of the numerous appeals available to refugee claimants and walks the street a free man. Meanwhile, a young man is murdered and leaves behind a wife and child.

If ever the hon. member for Cambridge needed an example as to why his bill should succeed, this is it. If Lopez–Tello and Castro had been deported immediately after their drug trafficking convictions, maybe Matthew McKay would still be alive today.

Most Canadians think that we should be deporting these individuals. Less than a year ago I included the following question in one of my householders: Should immigrants or refugees convicted of serious offences be automatically deported? I received 2,829 responses to the survey, of which 2,744 people, or 97 per cent, said yes. Only 61 people, or 3 per cent, disagreed. That shows us the support that is out there for such legislation.

The Canadian people have traditionally been generous in welcoming new immigrants to this country. We welcome people from countries all over the world to come to Canada to start new lives. We welcome legitimate refugees fleeing war and oppression in their homelands. However, Canadians' hospitality does not extend to criminals. Those who enter Canada illegally, with criminal records, or those who commit serious criminal offences once they arrive in Canada should not expect an equally generous reception. Those with criminal records prior to their entry to Canada are inadmissible; thus, they should not even be in this country. However, those who commit serious criminal offences in Canada have violated the basic agreement of their welcome to Canada. In exchange for a safe haven or the opportunity to start a new life that Canada offers refugees or immigrants, we have every reason to expect these individuals to obey the laws of our land. If they do not, they have sent us a clear message that they are not prepared to live up to their end of the bargain. Why should we feel compelled to allow these individuals to remain in Canada when they are telling us that they are not going to play by our rules? The deportation of these individuals should be automatic—end of the argument.

• (1735)

This brings us back to Bill C–316. Many of those who have spoken before me have pointed out some of the technical flaws of the bill. Yes, there are problems, but nothing that cannot be corrected by amendments made at committee or report stage.

The intent of this bill is sound. It deserves the opportunity for further hearing.

It is important that this House send two important messages. The first message should be sent to immigrants or refugees intent on committing serious criminal offences: If you commit a serious crime, on top of the other penalty that you may receive, you will be deported. The second message needs to go to the Canadian people, and that is that this Parliament is intent on ridding Canada of foreign criminals. This is most important.

Although those immigrants and refugees who commit serious crimes are a very small minority, they receive all the headlines. Canadians become outraged when they see the difficulty we have in deporting these criminals. It ends up bringing the entire immigration and refugee program into disrepute. Thus, we have to show Canadians that we are prepared to get rid of these few individuals who adversely affect the reputations of all immigrants and refugees.

Passing Bill C–316 will demonstrate that we are prepared to deal with the issue and deal with it quickly. It deserves a full and comprehensive hearing. Those in favour of the bill and those opposed should have the opportunity to appear before the committee and present their views. From there the committee can make whatever amendments necessary to make this a workable piece of legislation. After all, if the government made over 80 amendments to Bill C–68 at report stage, and that was its own legislation, we should have no problem in amending this bill. Those who are convinced that the final product is not acceptable can still vote against it at third reading. However, it deserves the opportunity to pass second reading and go to the committee.

I urge all members of this House to consider the bill carefully and to give it their support at second reading.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, before I get into the specifics of the bill I would like to take a minute to talk about my colleague, the member for Cambridge.

Many of you who sat in the previous Parliament or two Parliaments ago would remember that the member for Cambridge, Mr. Chris Speyer, Conservative member of Parliament, devoted most of his time to issues related to securing safety in the streets and law and order in this country. In fact he distinguished himself in this House working on such issues and later he was appointed to the Federal Court of Canada.

Our colleague, when he was elected in the last election, had a tremendous challenge in front of him, quite frankly, to fill those shoes. It is obvious that in less than two years he has already, on behalf of the community of Cambridge, filled those shoes and gone beyond. I think that today's bill is not only representative of the feelings and views a lot of his own community has, but it is also a representation of what I know most of the people in my community in downtown Toronto feel. It is a bill that my community would want supported.

I salute my colleague from Cambridge for a tremendous effort in bringing this private member's bill before the House.

It is great to see that the Reform Party members are getting behind this bill. It is very rare that a member can bring to the House of Commons a bill and achieve such all–party consensus. That is a great achievement for a member of Parliament in his first term.

• (1740)

Bill C–316 has a personal appeal to me because the parents and a lot of the relatives of Georgina Leimonis lived in my riding. In my downtown Toronto riding there are more members of the Greek community than any other community outside of Athens. Our community was deeply disturbed by the tragic death of Georgina. This is a very specific example of why this bill must be passed, must go to committee, must be properly amended and made the law of the land.

Bill C–316 enables the court, in addition to any other sentence, to order the removal of a non–citizen convicted of an offence punishable by 10 or more years. It accelerates the deportation process and would save Canadian taxpayers money, because two separate hearings, immigration and sentencing, would not be needed. This bill does not apply to anyone who arrived in Canada prior to 16 years of age.

Today in our correctional service system, our prisons, there are non–citizens who are using this defect in our current law, and it is costing the taxpayers of Canada close to $50 million a year. Conceivably, for the same group who are in our prisons today, that same group, without any increase, over the term of a government we would be talking $250 million.

When the fiscal framework of this country is in such tough condition and we are all trying to the best of our ability to be frugal and to cut and eliminate waste and duplication, it seems to me that alongside the basic justice in the bill there is also an economic factor that has to be looked at.

If we did not support this bill it is not inconceivable that within two or three years it could cost the taxpayers of Canada $150 million a year to look after non–Canadians who have criminal offences as part of their record and who are abusing our laws. I believe this is another factor in the equation.

Another thing I believe we must understand is that the member for Cambridge did not just listen to his own community and members here; he went to other organizations. I want to quote specifically from a letter he received from Victims of Violence, the Canadian Centre for Missing Children: "Mr. Peric's bill focuses on those immigrants who have committed serious criminal offences, sometimes violent. His bill distin-

guishes the criminals from the overwhelming majority of law–abiding immigrants. Those convicted of offences punishable by 10 years or more should be deported from Canada as quickly as possible. Victims of Violence would like to congratulate Mr. Peric on his efforts. On behalf of the Canadian public and the many crime victims we serve throughout Canada, we would like to thank him."

CAVEAT has written a similar endorsement. The Canadian Police Association has written to support the bill of the member for Cambridge.

• (1745)

I urge all members to look into the bill. We have a unique opportunity to get behind it in committee. As the member for Surrey—White Rock—South Langley, the immigration critic for the Reform Party, stated earlier, the bill has some flaws that can be amended in committee. However the overall thrust or the overall approach is right. I urge all members of the House to get behind the member's bill.

Mr. Jay Hill (Prince George—Peace River, Ref.): Madam Speaker, it is a pleasure to speak this evening on Bill C–316. As has been pointed out by many hon. colleagues who have already spoken to the bill, there are a number of problems with it. However the private member bringing it forward did not have access to a battery of lawyers or experts in the departments of justice or immigration to point them out.

The role of private members is to bring good ideas for legislation forward. It is the role of the House and the committee to which it is assigned to improve it and make it workable. In this case I believe the member for Cambridge has focused the attention of the House on a problem Canadians want to see solved. It is now our job to ensure the bill makes it to committee where we will have the benefit of the expertise of departmental officials who have been studying the issue. I am sure the hon. member would agree to changes that maintain the spirit and intent of the bill while making it legally defensible.

Canadians want non–citizens who commit abhorrent crimes deported. It is our duty as their elected representatives to ensure the bill does not get buried in committee. We must send a clear message to other criminals who believe they are living in a land where there are relatively light consequences for breaking the law.

If we have the political will we can overcome any road blocks. By failing to act in an expeditious manner to treat the deportation of non–citizen criminals as a high priority, the government is not acting in the best interest of the safety of Canadians.

Canadians want to see criminals dealt with decisively. They will be much more willing to accept the fact that the vast majority of immigrants respect our laws if they see a government commitment to immediate deportation of those who break them.

I have heard Liberal colleagues across the way say that sentencing foreign criminals to deportation would be cruel and unusual punishment under the charter. Frankly, if they do not respect any of our other laws, they can exercise their charter rights somewhere else in the world.

The charter of rights has an implied charter of responsibilities. We already treat non–citizens differently by denying them the right to vote. We already deny convicted criminals the freedom of mobility. I do not think it is beyond the spirit or intent of the charter to deny non–citizens convicted of violent crimes or drug trafficking the right to remain in Canada.

In the meantime too many criminals are tying up our legal system and slipping out the side door while we bend over backward to apply the charter to protect their rights. The charter seems to be the only piece of legislation some criminals are aware of. Our charter is supposed to be a shield to protect the rights and freedoms of Canadians, not a sword to be used against us by criminals who do not respect any of our other laws.

In the time remaining I should like to focus on a couple of matters I believe should be looked at when the bill goes to committee. One problem is the section that allows for the deportation of dependants. This clause must be looked at. For example, what if the non–citizen was convicted of first degree murder of his or her spouse. We would hardly want to deport the children with the convicted parent. We would want to consult with family and friends to determine the safest home for them, be that in Canada or in the country of origin.

It has also been argued that by having the sentencing judge issue the removal order it makes deportation a punishment rather than merely an administrative option available to the government.

• (1750)

The objection is then made that we are not treating non–citizens the same as citizens and therefore they are being doubly punished for the same crime. That objection can be dealt with. The sentencing judge could be responsible for delivering the crown's administrative decision that deportation proceed. Then we could eliminate the inquiry stage.

The bill also prevents appeals through the immigration appeals division. It is trying to make sure non–citizens do not disappear between the end of their prison sentence and the immigration appeal hearing.

For example, in August, Montreal papers reported the story of Patrick Baptiste who was under deportation orders for drug dealing but not surprisingly failed to show up at the hearing when his appeal was rejected. The police caught up with him a few months later. Only this time he was implicated in planning a murder. Now that his deportation appeal has been rejected, I

hope when he finishes his current jail term he will not be given a chance to escape again.

His is not an isolated case. According to a *Gazette* article a special task force made up of RCMP and immigration officers has identified 1,888 convicted criminals ordered deported who remained here. Twelve hundred were serious criminals, liable to more than 10 years imprisonment. Those are ones the bill is trying to deal with. As of August one–third had either left the country or had been deported. Another third, 671 of the 1,888, had appealed their deportation orders or claimed refugee status and a further 300 are still missing.

Despite eliminating a right to appeal through the immigration appeals division under clause 3 of section 32.1 unfortunately the bill adds an automatic appeals process under the Criminal Code. This would certainly have to be amended should the bill go further.

By allowing an automatic appeal hearing it would actually be a small step back from the Bill C–44 changes and I do not believe Bill C–44 went far enough. In addition to violent offenders, non–citizens who are habitual criminals should also be denied the right of appeal.

I view the three years before a landed immigrant takes out citizenship as a probationary period. Canadians have welcomed them into our house and have given them the opportunity to become part of our family. If they do not respect our laws they have broken their contract with us.

Why do we wait a minimum of three years before granting citizenship? Is it just so new immigrants have time to learn the name of our Prime Minister or how many provinces there are? Surely we place greater value on Canadian citizenship than that.

Habitual criminals, drug traffickers and violent criminals are not welcome. How many times should someone be allowed to break our law before we show them the door? When we show them door because they have committed a serious criminal offence in Canada, they should not be allowed to come back in.

Just today the paper reported on a criminal who has been deported from Canada five times at an average cost of $50,000. That is $250,000 taxpayers have had to pay for this one case. He was first granted landed immigrant status in 1975 and by 1976 had been convicted of theft. He was deported in 1984, 1985, 1986, 1987 and 1988. Then he came back in 1990 and claimed refugee status. Now he is an arsonist, setting fires in public malls.

I am encouraged to see that immigration officials have taken the unusual step of trying to appeal his refugee status. The problem is that other criminals we deport also come back claiming refugee status. This is a loophole Bill C–316 does not plug.

Even the UN High Commission for Refugees does not support asylum shopping. That is exactly what it is when people who have already been deported return to Canada claiming they are refugees.

During 1993–94 according to Correctional Service Canada there were over 1,000 foreign nationals serving time in our prisons. At an average cost of almost $46,000 this amounts to almost $50 million. The auditor general estimated the real cost of maintaining someone in prison was closer to $80,000. This means it costs taxpayers around $80 million to keep foreign nationals in prison every year.

• (1755)

To put this in another context, the entire immigration department including enforcement, settlement, language training for new immigrants and so on has been ordered to cut $54 million from its budget over the next couple of years.

Despite the problems the member has made a valiant attempt to address a serious issue. Let us take the bill to committee where we will have the advice and expertise of departmental officials and counsel to improve it so that we can bring it back to the House.

Immigration officials are studying ways of streamlining deportation of criminals, but it could be another year or two before the minister brings a comprehensive plan forward. Let us work on the problem now using the bill before us as the vehicle.

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Madam Speaker, I too want to congratulate the member for Cambridge for bringing forward Bill C–316 and to compliment him on his efforts to try to deal with what I consider to be a justice issue and a law and order issue.

I probably should not say it this way, but I approach support of the bill with some trepidation because I see Reformers are also supporting it, which means that if they are I must be wrong. At the same time the bill is a positive effort. I am hopeful once it gets to committee and has the chance to have the shared view of many that the improvements necessary to make the bill function properly will be put forward.

I believe all of us are in accord that the direction, the aim or intent of the bill is a proper one, one all of us in Canada would like to see happen.

If I may I would like to read the summary of the intent of the bill. It captures where the member for Cambridge wants us to go and reflects the intent of most Canadians.

It says:

> If a person is convicted of an offence punishable by 10 or more years imprisonment and is or is seeking permission to remain in Canada, but is not yet a citizen, a court may, on application by the prosecution, order in addition to any other sentence, that the person and anyone dependent on that person be removed

from Canada. Such an order discontinues any other process, procedure or appeal under the Immigration Act and any other right to parole or any other early or temporary release.

We are not talking about trying to take away anybody's rights. We are not trying to do anything different except streamline the process. Rather than dealing with the criminal justice aspect and then turning around and going through the procedures under the Immigration Act, the legislation empowers the judge to deal with the issues together, as he has heard the evidence of the case, and to decide whether or not deportation should be part of the decision.

That approach is a proper one. There are some constitutional or charter of rights issues that will have to be dealt with. I am sure some other fine tunings are necessary.

At the same time the object of the bill warrants that it goes to committee and that it has the necessary input from all concerned so that in the end result we will have a stronger situation that provides necessary protection for Canadian society.

We have heard recounted in the debate over the last number of hours some of the horror stories that have occurred. Those are horror stories for sure, but perhaps they also point to some of the flaws that presently exist in our law. The bill is aimed at trying to resolve some of them.

The bill has received support from a number of agencies and organizations in Canada. To name a few, the Canadian Police Association, CAVEAT and Victims of Violence are organizations that watch what is happening in the criminal justice system and for the flaws that may be present. When we achieve their support I believe we are moving in the proper direction. Therefore, a committee study of this legislation should go a long way to helping protect Canadians.

• (1800)

Others have talked about the actual cost associated with this process. In the years 1993–94 there were over 1,000 foreign national offenders serving time which cost the taxpayers of Canada roughly $46,000 per prisoner.

Obviously with this bill we are going to save a little money. I do not think that should be the motivation for the legislation. The protection of society and the proper administration of justice should be the foundations, but we also can look at the financial aspect of this particular bill and see the merits associated with it.

It is a proper bill for committee study. It is a bill aimed at solving a problem which is of concern to Canadians. I again congratulate the member for Cambridge. He has done a tremendous job in his efforts to correct a situation he saw in his riding and from what he heard from his constituents, but also to represent the views of many Canadians across the country.

Ms. Roseanne Skoke (Central Nova, Lib.): Madam Speaker, I rise today to debate at second reading Bill C–316, an act to amend the Immigration Act and the Transfer of Offenders Act.

Congratulations to my hon. colleague from Cambridge for bringing forth a bill to amend the Immigration Act that will take steps to ensure that those who came to this great country Canada and refuse to abide by the laws are not permitted to stay. This bill if adopted will make Canadian streets safer.

Canada has a proud tradition and reputation not as a country that merely tolerates immigrants, but rather as one that welcomes them with open arms. It is no secret that this great country was built by immigrants and that the vast majority of people that come to this country today continue to make an honest and meaningful contribution to our ever evolving Canadian society.

The law has always recognized that serious criminality is grounds for deportation and the Immigration Act provides the mechanism to facilitate this. Bill C–316 in no way attempts to undermine or contradict the current Immigration Act but rather to improve, streamline and broaden some of the regulations that exist in the current act.

It is important to recognize that this government is concerned about addressing serious crime by non–citizens and has taken steps to ensure removal of these types of offenders. This past spring the House passed Bill C–44 which limited the rights of serious criminals to appeals under the immigration system. These offenders will also no longer be eligible for any form of early release or parole.

Bill C–316 if adopted will complement the accomplishments of Bill C–44. The bill will fill in many of the cracks and loopholes that still exist between sentencing and the deportation hearing. Bill C–316 will permit a court at the time of sentencing of an offender convicted of a serious offence with a penalty of 10 years or more to make a deportation order at the same time. Offenders may appeal within the criminal process but will no longer have access to the appeals process under the Immigration Act.

There have been concerns that this process may be an infringement on the rights of the offenders, but this bill does not create any new or special offence or any new distinction between citizens and non–citizens. The distinctions already exist under the Immigration Act. The offender is already subject to criminal sanctions and deportation. Bill C–316 merely puts both matters in the hands of the courts. There are also two important additional measures contained in this bill worth noting.

First, the bill addresses how to proceed with offenders who came to Canada at an early age. It is recognized that many people immigrate at an early age and for one reason or another have not become a citizen. For this reason there is a provision in

the bill that would exempt a person who has immigrated to Canada prior to their sixteenth birthday and who has had no criminal convictions in five years previous to the offence in question.

Second, the bill provides for the transfer of offender by court order to their country of origin to serve their sentence if the reciprocal conditional release provisions exist. Under the Transfer of Offenders Act, a transfer can currently happen only upon the request of the offender. This bill removes the decision from the offender and places it in the hands of the judge.

• (1805)

In this bill, as in many private members' bills intended to amend existing legislation, there are procedural and substantive issues which arise. Several of my colleagues raised some of these concerns today during debate. Issues to be addressed relate to the procedure of deporting dependents of convicted offenders, the training that will be necessary for judges in these cases and the possible constitutional challenges.

We must keep in mind that what we are debating here is the principle of this bill. No one can argue that the intent and principle of the bill is not valid and that we as legislators have a responsibility to develop and enact legislation that will make Canadians safer. Bill C–316 will achieve this principle.

The hon. member for Cambridge has expressed his willingness to work in co–operation with the Minister of Citizenship and Immigration and the standing committee to address any procedural or substantive concerns that may arise.

I restate my support for Bill C–316 in principle and call upon my fellow parliamentarians to do the same. The member for Cambridge is attempting to make the streets safer. The people of Canada deserve no less.

Mr. Julian Reed (Halton—Peel, Lib.): Madam Speaker, I rise with pride to endorse Bill C–316 and to offer congratulations to my colleague the member for Cambridge who recognized a problem that exists in the system as we have it today. He has dealt with it in such a way that it looks as though with the endorsement of the House it will go on to become law.

We would be remiss if we did not reflect a little on why a debate on a private members' bill can become as important as it has in this session. Those who are new here will not see any difference, but those who have been involved in political life and parliamentary procedure in the past years realize that historically private members' bills hardly ever, if ever, have seen the light of day. They have been a medium for debate and probably have established some tone of opinion among parliamentarians, but they had no chance of becoming law.

To the credit of this government, now private members' bills do have a chance to become law and they are subjected to a free vote so that everyone in the House can deliver their opinion. We now have private members' bills, some applying to law and order issues, which have been introduced by thoughtful members of the House and are moving on to become part of our justice system.

It is interesting to note an article which appeared in the Toronto *Sun* on September 17, written by Sean Durkan of the Ottawa bureau. He talks about the quiet war on crime that is being waged by the present government. It is not big headline grabbing stuff, but little by little the Minister of Justice is clawing away at the loopholes and flaws that are present in the judicial system. He said: "The Liberal government has actually done more to toughen up the system in two years than the previous Tory government did in nine". That should go on record to show that the government has taken the issue of law and order very, very seriously.

Laws of this nature do not get introduced and are not made without some reaction to an incident or occurrence. Of course that is the evolution of virtually all law over, above and beyond our Constitution. When bills are passed in the House they are passed because some situation has arisen. This is an evolutionary process. It goes on. We who serve here for our brief time have an opportunity to contribute.

• (1810)

It is only in this 35th Parliament of Canada that we have had the opportunity as private members, or backbenchers as we are called, to be able to make a solid contribution to the way these laws unfold and the way the legislative system progresses. It makes these bills very important to the life of Canada. I know that members as a result assume far more personal responsibility when they introduce bills of this nature.

I congratulate all of the people who participated in the debate. I believe everything that could have been said on this subject has been said. Now is the time for us to take it to the next stage, shepherd it through and ensure that our efforts are not wasted, so we will see in due course in the slowness of the democratic process, this becoming part of our legal system and making a great contribution to it.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I wanted to take a few minutes to speak on this bill and perhaps in a peripheral way to raise an issue which should be of import to members of the House. I want to bring the following to the attention of members.

I see in the bill a provision whereby the effect of the proposed legislation would not apply to people who were less than 16 years of age when they came to Canada. That is an important issue and I want to talk about it a bit, particularly because I have a constituency case where such an incident occurred. It is roughly the following. I will change the ages ever so slightly to ensure that I respect the privacy of the constituent in question.

I was approached by the family of a constituent who came to Canada when he was two years old. He lived in this country and when he was an adult he committed a crime. The incident was something like a brawl in a bar and he was charged with assault causing bodily harm. It was very serious. The victim nearly died.

My constituent was incarcerated, served his time and was eventually released from jail. He was reintegrated into society and led a normal life. He found a job and so on. Three or four years later when everything was behind him, the authorities came knocking on his door to inform him that they were commencing procedures to deport him.

The difficulty is the individual had never seen another country in his life. I am dealing with this case right now and I have brought it to the attention of the minister.

When we come across the easy cases, particularly in the popular press when some person has come to Canada, has abused the laws of this country and therefore, we should kick him or her out, it is of course generally a proposition I agree with. But it is not always that easy. The case I am bringing to the House today is to illustrate that sometimes it is a lot more complicated.

[*Translation*]

To take the example of someone who came to this country when very young, aged two, then that person is actually a product of Canada, if we can use that term. If that person has developed criminal tendencies, he or she certainly did not have them on arrival in Canada when less than two years old. That is the first proposition.

• (1815)

The second is, if that person is deported, deported to where? Any country is like any other, because the person has never been anywhere except Canada.

Third, if we as a society do not want other countries shipping their criminals here, why should we take ours and ship them elsewhere? I say ours because I consider someone who was only two when he came here to indeed be one of us.

I am taking up the House's time to explain this because the problem lies not in this bill but in the present statute.

I trust that when the parliamentary committee studies this initiative—and I congratulate my colleague from Cambridge for having presented it to the House—it will look at the entire problem at the same time.

I have just been speaking with a colleague who tells me that someone he knows very well has in fact defended cases similar to the one I have just described here in the House.

[*English*]

As a Canadian, as a parent and as a member of the House, my gut feeling is always that when someone commits a crime and is not a Canadian we should do our best to send them back. That is still generally true in what I believe.

I caution the House and invite colleagues, particularly those who sit on the committee, to think of the peripheral issues I have just raised because they are very real and they do affect many people.

I thank hon. members in advance for their study of the bill. I congratulate the member for having brought this issue to the attention of Parliament.

Mr. Janko Peric (Cambridge, Lib.): Madam Speaker, I take this opportunity to briefly thank all the members who have spoken on my private member's Bill C–316.

I understand certain members have some concerns with particular elements of the bill. I assure them their concerns can be addressed through amendments at the committee stage.

I urge my colleagues to support Bill C–316 at this stage in the process. I look forward to working with them in making this an even better piece of legislation.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to, bill read the second time and referred to a committee.)

The Acting Speaker (Mrs. Maheu): It being 6.20 p.m., the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.20 p.m.)

HOUSE OF COMMONS

Friday, September 29, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

OCEANS ACT

The House resumed from September 28 consideration of the motion that Bill C–98, an act respecting the oceans of Canada, be read the second time and referred to a committee; and on the amendment.

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, it is with great pleasure that I join with those in support of Canada's oceans act this morning.

Last November the Minister of Fisheries and Oceans released a document setting out the potential elements of an oceans management vision for Canada. The government sought the advice of all Canadians and the message was loud and clear: the federal government has a leadership role to play in oceans policy. Federally, ocean related responsibility has been fragmented and there is a need for focus in order to meet the needs of all Canadians.

Several key oceans programs are being brought together under one department to promote synergy in operational policy development, to eliminate duplication and overlap and to provide a more efficient and effective service to Canadians.

In recognition of these principles, the Canadian Coast Guard was merged with the Department of Fisheries and Oceans last April. This merger has already improved the government's ability to manage and protect Canada's oceans and marine resources and has strengthened its commitment to marine safety.

This merger decision was not taken lightly. The decision to seriously consider a merger was made in mid–October of 1994. A study of the proposal was conducted by a joint program review initiative by the Department of Fisheries and Oceans and the Canadian Coast Guard, with input from the Department of the Environment, the machinery of government, the Privy Council Office, the Treasury Board Secretariat and Natural Resources Canada.

• (1005)

The purpose of the study was to propose measures to strengthen the policy and program framework and policy delivery capacity for the administration of Canada's oceans.

The goal was, first, to ensure the environmental protection and sustainable development of Canada's oceans resource; second, to provide essential marine safety services; third, to foster efficient and competitive commercial and other marine activities in Canada.

The feasibility study was completed in November 1994 and it confirmed that a merger of the two organizations could result in a number of benefits at the policy and program level.

One of those benefits was improved policy development and direction of the environment and response to the United Nation's Convention on the Law of the Sea. Another was increased effectiveness with respect to fisheries management, enforcement, marine safety, environmental response and one focal point for industry.

With the merger, DFO has assumed responsibility for coast guard marine operations, including search and rescue, marine communications, vessel traffic services, aids to navigation, icebreaking and pollution response.

The Canadian Coast Guard and the Department of Fisheries and Oceans have many things in common. They have similar backgrounds and traditions. They have similar operations and marine policies and they both share similar views on improving ocean management.

While becoming the principal marine of the new Department of Fisheries and Oceans, the coast guard brings to the organization a reputation for distinguished service from coast to coast.

Collaboration is not new to the government. The coast guard and the Department of Fisheries and Oceans pull together as a strong team in responding to the Grand Banks fishing dispute on turbot. The coast guard played a valuable role in helping solve this dispute and one for which all Canadians are most grateful. Together the coast guard and the Department of Fisheries and Oceans demonstrated their commitment to preserve and protect our fisheries resources when others wanted to continue their destructive practices.

This merger can serve only to enhance Canada's efforts in conserving and protecting fishermen, fish and our marine environment. Together they now have a combined fleet size of 148 vessels, including 42 offshore vessels that will improve coverage in the area of search and rescue, as well as the ability to move more aggressively toward a tougher conservation regime through increased enforcement activities.

This will allow the maintenance of the frontline enforcement presence while strengthening surveillance, fishing enforcement and environmental protection activities. The coast guard has a well earned reputation reflected in its motto: Safety First—Service Always.

Both DFO and the coast guard are strong organizations with a common history of working in the marine environment and with shared goals and interests in ocean safety and environmental protection. Together they are building a stronger and more effective department.

With the merger, Canada has the opportunity to become a world leader in oceans and marine resource management.

To make our oceans vision a reality, we need to manage Canada's oceans and major waterways so that they are clean, safe, productive and accessible to ensure sustainable use of our fisheries resources and to facilitate marine trade and commerce. We need to build on our understanding of the oceans so that we can be more responsive to the changes and priorities.

• (1010)

With this merger we will be better able to deliver marine safety services effectively and efficiently while maintaining high national standards. Issues such as boating safety and licensing, marine navigation infrastructure, safety systems and emerging technologies, levels of service as well as user fees and other cost recovery mechanisms must be addressed.

As I pointed out, Canada's ability to manage and protect its oceans has improved with this merger. Amalgamation of the two fleets has increased offshore enforcement capabilities on both the east and west coasts. I am convinced this merger forms a very strong partnership that will streamline oceans management in Canada. I am delighted to speak in support of Bill C–98.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, I would like to start by pointing out that Bill C–98 before the House today on second reading is a typical example of the kind of bill I like to discuss.

Indeed, it will give me another chance to show Quebecers it would be both useless and dangerous to leave Quebec's development under federal control.

Consider the endless jurisdictional squabbles that would be generated by the passage of this bill. My colleagues from Laurentides and the Gaspé have already discussed this but I feel I must say more on the subject, at a time when Quebecers are about to make an important decision on their collective destiny.

The bill starts by identifying, in Canadian domestic law, Canada's jurisdiction over its ocean areas. To do so, however, the text merely incorporates provisions of the Canadian Laws Offshore Application Act and the Territorial Sea and Fishing Zones Act. Since the legislation I just mentioned has not been amended in any way, this part of Bill C–98 is redundant. Especially since Canada's sovereignty over its ocean areas is recognized by the United Nations Convention on the Law of the Sea, of which Canada is a signatory.

Part II of this enactment is supposed to provide for the development and implementation of a national oceans management strategy based on the sustainable development and integrated management of oceans and coastal activities and resources. This is, in fact, one of the most ambitious attempts by the federal government to invade jurisdictions over which it has no authority and which it would be folly to cede to the federal government.

According to officials from the Department of Fisheries and Oceans, Part II of the bill could have been dropped, since it does not give the Department of Fisheries any new powers to manage a national oceans strategy. According to the preamble, the purpose of the bill is merely to encourage the minister to collaborate with his colleagues on identifying a strategy. Obviously, the minister cannot assume the authority to manage a strategy that has yet to be defined.

In the light of the foregoing, I wondered why the government bothered to table a bill that apparently is no more than a series of good intentions.

A closer look at the bill gave me the answer. First of all, the bill identifies two classes of intervenors in the process of implementing a national oceans strategy: the federal government and interested persons and bodies. In other words, provincial governments are considered on a par with any lobby group. This is one way of telling Canadian voters that "if you voted for the right side, we will consider what your provincial government wants".

• (1015)

In the case of lobbyists, particularly major ones, this government tells them "If you contribute to our slush fund—the slush fund of the right party—our government will lend a much more attentive ear to your concerns". For examples of this we need only think of the role of the Liberal government in the case of Power DirecTv or the purchase of MCA by Seagram, the sale of Pearson airport, and most recently the privatization of Petro–Canada. We have learned just this week that the sale of federal shares in the latter will be handled by Gordon Capital of Toronto, the Prime Minister's former employer. It will be

remembered very clearly that, when it came time to vote on a private member's bill on public funding of political parties, the government opposed it in order to be good and sure to go on playing the little game of "he who pays the piper picks the tune".

The parallel to be drawn between businesses contributing to the right party fund and voters supporting the right party is obvious, particularly since there is no obligation for the minister to follow any recommendations by the governments of Quebec and the other provinces.

Similarly, sections 31, 32 and 33 of Bill C–98 empower the Department of Fisheries and Oceans to develop and implement a national management strategy for estuarial, coastal and marine ecosystems. Such a strategy will require a number of elements to be created. First, activity management plans; second, administrative or consultative bodies; third, a number of programs; fourth, environmental standards; fifth, scientific data gathering and analysis on the ecosystems concerned.

These are already functions of either Environment Canada or the provinces. We have seen that the minister is seeking through this act to encroach on the provinces' influence over the environment. Thus, the only useful purpose that we can see in this bill is to invade areas of provincial jurisdiction.

It is also worthy of note that the bill before us, as I have already pointed out, will enable the Minister of Fisheries and Oceans to encroach upon areas over which the Minister of the Environment has jurisdiction. Like my colleagues, I wondered why cabinet failed to see that and I concluded it was doubtless because, when the Minister of the Environment tries to invade Quebec's area of jurisdiction, she can be seen coming so far off in the distance that the job had to be given to someone else.

The fact that the minister is not obliged to come to an agreement with the provinces, which have a keen interest in the management of the marine environment, is both incomprehensible and unacceptable.

I would also like to point out that the environment is not one of the areas of jurisdiction the constitution attributes explicitly to one level of government in particular. It is what they call an ancillary jurisdiction and is subordinate to those jurisdictions the constitution explicitly mentions.

In theory, the Department of the Environment is responsible for the administration of this ancillary jurisdiction in co–operation with each of the departments concerned.

Until the mid 1980s, the Government of Quebec, which has jurisdiction over local and territorial matters, played a leading role in environmental matters, occupying the largest part of the field of jurisdiction. The federal government limited its involvement to areas relating to its jurisdiction, as the constitution provides.

After 1985, the federal government began to meddle in environmental matters. It did so primarily by virtue of its spending power and the new powers the courts had accorded it. That was the beginning of many instances of duplication and overlap. They continue to exist and have grown more numerous since the election of the present Liberal government, which is trying to centralize decision–making in Ottawa. The Government of Quebec considers Bill C–98 another step toward centralization.

In 1988, the Supreme Court of Canada, which Mr. Lévesque likened to the tower of Pisa, always leaning the same way, took management of the marine environment and surrounding territory away from the provinces and gave it to the federal government in a decision of four justices to three.

With Bill C–98, the federal government is trying to get the most out of this decision. Quebec fears that this centralizing tendency means the federal government will sooner or later claim management of the waters and the use of the tributaries to the coastal estuary and ultimately all fresh water rivers on the pretext that the contaminants in these waters are a source of degradation of the marine environment.

• (1020)

There is currently a great deal of overlap and duplication in federal and provincial environmental regulations. As a result, private businesses very often have to spend time, money and energy on many things such as collecting information on the many government programs, providing the two levels of government with the required data, participating in the various advisory committees and subcommittees in charge of regulating the industry, preparing for the inspections carried out alternately by the federal government and the province, and complying with the requirements of both governments.

In this regard, the toxic waste regulations are a convincing example. At this time, eight federal regulations overlap similar regulations that already exist in Quebec. Let us take, for example, the storage of PCB material regulations and the pulp and paper effluent regulations. Quebec sovereignty would effectively end this duplication.

Although it must recognize that it can no longer afford to take environmental action, since cuts of 32 per cent over three years were announced in its last budget, the federal government continues to usurp the role of the provinces in setting national standards and priorities. The new Environmental Assessment Act that came into effect in January 1995, which encroaches directly on provincial jurisdiction, and the eco–government policy in which the federal government favours relations with citizens and the private sector rather than with the provinces are striking examples of this kind of attitude.

On the face of it, the federal government has noble objectives and respects these areas of jurisdiction but, in practice, it bypasses the provinces, forcing its agenda on them and effectively taking over provincial responsibilities.

Bill C–98 adds fuel to the fire as the federal government, despite its financial situation, allows itself to create new structures to protect a particular ecosystem.

Bill C–98 sends an ambiguous message. It seems to reflect a concern for marine ecosystems while at the same time taking away from the Department of the Environment part of its responsibilities and treating provincial environment ministries on the same basis as the industry or municipalities. Will Fisheries and Oceans withdraw just like Environment Canada? It is obvious that Environment Canada is becoming a policy generating department instead of taking real actions—the Irving Whale is a case in point—mainly for budget reasons.

This leads to a number of problems. Here are the main ones. First, environmental concerns must clearly be identified by the grassroots. Policy coming from Ottawa is less likely to be suited to local circumstances, let alone be endorsed by the community. In fact, it has become increasingly clear that efficiency in terms of the environment is dependent upon a sense of ownership at the local level. For real progress to be made the people must be concerned about their rivers and marshes, their environment.

Second, one of the federalists' arguments for centralizing environmental management is that pollution knows no boundaries, travelling from one province or state to another. Acid rain and river pollution are good examples of that.

The federal government is apparently the only one who is able to legislate with efficiency and make international agreements, and to take a holistic approach in order to provide global solutions to global problems. Also, it is unthinkable that the minister not be required to work together with EC officials, as my hon. colleagues from Laurentides and Gaspé said earlier. Unsatisfied with creating jurisdiction conflicts with the provinces, the federal government has now set out to create jurisdiction conflicts between its own departments, all this in a context of fiscal restraint.

Once again, we have before us a bill which, like many others before, is designed to centralize it all in Ottawa.

[*English*]

I have much respect for my friends from the Reform Party because they say what they think and they think what they say. They are the only ones actually to speak about decentralization. They are pretending to offer decentralization for the good of all the provinces, including Quebec. I think that would be a good thing and I think they are really serious about it.

• (1025)

However, in that offer somewhere is a catch 22 because my friends in the Reform Party will never form any government in Canada as long as Quebec is a province. Quebec holds the balance of power in the country as far as the vote is concerned and Quebec will never vote Reform. It is not because we hate Reformers; we love them very much. It is because our philosophies are too far apart. We just have to look at our positions on gun control, gay rights, bilingualism and on all of the bills which have been presented to the House. Most of the time we and the Reform Party have voted differently.

My friends all know the country will soon hit the wall. They all know we are going bankrupt, as it was said in the *Wall Street Journal* not so long ago.

An hon. member: The second richest country in the world.

Mr. Pomerleau: We need a change and a fast one. My friends in the Reform Party should realize they should support the sovereignty of Quebec. I hope sincerely that somewhere down the road my Reform Party friends will finally see the light on their way to Damascus and find within themselves the courage to follow the logical path of their reasoning and bring it down to the right conclusion.

Most Canadians have actually come to three assumptions about Quebec: first, we are a bunch of troublemakers, never happy with what we get; second, we receive much more money from Canada than what we give to Canada; third, the economic disaster in Canada is partly due to the political instability in Quebec. If those three assumptions are right, then the sovereignty of Quebec should normally be seen by all Canadians as a good way to solve the problem once and for all and make money out of it, providing of course that we assume our fair share of the Canadian debt.

That is exactly what we intend to do through the negotiations which will start after the yes vote, although by all international rules and regulations Quebec has no legal obligation to take any part of the debt. Four studies were produced for the Bélanger–Campeau commission. Two were done in Canada, one in England and one in France. Those studies all came to that conclusion.

In 1994 David Crane in the Toronto *Star* stated: "Canada's foreign creditors would not want to transfer part of Canada's debt to Quebec. This is money they loaned to Canada, not Quebec".

That helps Quebec in a way. It means that Canada would have to reach an accommodation with Quebec since Canada cannot force Quebec to take its share of the debt. The article continued: "Technically Quebec could walk away from its share of the debt".

In the *Gazette* on December 13 William Johnson said: "Ottawa would suddenly lose one–quarter of all its taxpayers, but would be responsible for the entire national debt, some $600 billion, nearly half of which is held by foreigners. Ottawa signed for the loans so only Ottawa is responsible before the creditors. Legally, Quebec would have no obligation to pay anything".

In spite of all this, we are offering to all Canadians that we will assume our fair share through negotiations. It is a shame the Prime Minister of Canada is refusing to negotiate. It jeopardizes Canada and Quebec at the same time.

Canadians should have the right to run their country the way they want without having to please Quebec at each moment. The referendum which will be held quite soon in Quebec will have an answer: yes or no. If it is a yes vote, and I think it will be—

[*Translation*]

Because every Quebecer remembers full well what Mr. Bourassa himself said, that status quo would be the worse solution for Quebec, and what we are being offered is exactly that, the status quo.

[*English*]

If it is a no vote what will happen? If it is a no vote we are back to square one. Fifteen years of constitutional debate to the next referendum. Nobody wants that.

• (1030)

I quote perhaps the greatest political analyst ever produced, Mr. Yogi Berra: "It ain't over till it's over". It will never be over with Quebec until we win because the Parti Quebecois and the Bloc Quebecois do not exist to support an idea. They exist because there is an idea to be supported.

[*Translation*]

Bill C–98, and I will conclude on this, demonstrates Ottawa's will to centralize, which permeates every bill. I would like to point out to my hon. colleagues that, in almost every committee we sit on, the Bloc Quebecois has had to produce minority reports each time Quebec's jurisdictions were at risk of being encroached on.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, before moving to questions and comments, let me say that I find it very regrettable for my constituents, many of whom are fishermen who work hard, to hear the opposition, and in particular a member representing an urban riding, say with such arrogance that the federal government is responsible for the problems in the fisheries sector.

What I find even more regrettable is that the member probably never set foot on a fishing boat, does not know that sector, and did not bother to meet fishermen and see for himself that these people are honest, hardworking people.

I find that regrettable and I think it is an insult to the intelligence of fishermen and plant workers from the Gaspe Peninsula and the Magdalen Islands to say that the only way to solve the problems related to fisheries, including dwindling stocks, is to become sovereign. The opposition is exceedingly arrogant when it makes such comments.

The fisheries sector must, to a large extent, rely on close co–operation with the provinces: New Brunswick, Prince Edward Island, Nova Scotia and, of course, Quebec. But I can tell you that the federal government is also involved. It is there to look after the real interests of fishermen by protecting the integrity of Canada's 200–mile zone. What the Parti Quebecois and the Bloc are actually proposing is to close these 200 miles, this natural access, to Quebec fishermen, if that province becomes an independent country.

I find it regrettable to hear opposition members tell us that we will reduce the fishing rights of Quebec fishermen by 60 per cent in the Gulf of St. Lawrence and the Atlantic Ocean. The opposition did not even consider the ocean perch industry, for example, which will resume its activity some day, but our fishermen must fish that stock along the Nova Scotia and Atlantic shores. Unfortunately, the opposition does not take that into account.

It is only concerned with sovereignty, with independence at any cost, and that is what I find regrettable. The opposition could not care less about the plight of my constituents. I invite opposition members, and particularly their leader, to come to the Magdalen Islands and to tell us that they are prepared to protect the real interests of Quebecers—

Mr. Pomerleau: Mr. Speaker, before replying to the hon. member, I want to tell him that I was born in Val–d'Espoir, in the Gaspe Peninsula, about two minutes away from his riding. I spent all of—

Some hon. members: Oh, oh.

Mr. Dubé: Mr. Speaker, he used the word "traitor".

An hon. member: He must apologize.

Mr. Dubé: Mr. Speaker, on a point of order. I heard the word clearly. You may not have heard it, but everyone on this side heard the member use the word "traitor".

Mr. Gagnon: Mr. Speaker, I withdraw the comment. However, I invite the member to go back to the Gaspe Peninsula and withdraw his own comments.

The Deputy Speaker: It seems that the hon. member has withdrawn his comment.

Mr. Pomerleau: I am glad the hon. member opposite, who seems to think he is the only person from the Gaspé in this House, withdrew what he said.

• (1035)

I was indeed born in the Gaspé, in Val-d'Espoir, and my family still lives there. I know all about the problems of the fishermen down there. I also spent my holidays in the Gaspé, on Chaleur Bay in the hon. member's riding, and I have seen for myself what the problems are.

The hon. member mentioned the economic future of this country, Mr. Speaker. We want the sovereignty of Quebec for economic reasons. I remember when in 1980, at the time of the first referendum, Mr. Bourassa told us, and this will conclude my speech: "If you say yes to the sovereignty of Quebec in 1980, you can expect a lot of debt, taxes and unemployment". So people decided they should vote no. They did, and we remained a Canadian province. The federal debt rose from $80 billion to $600 billion; the unemployment rate practically doubled; the number of welfare recipients doubled; our young people no longer have a future, and we are still in Canada.

I think the hon. member should do his homework, visit his riding again and check with the people there, because in the Gaspé we are going to win.

[*English*]

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, there appears to be a warm wind blowing from this side of the House.

I was interested in hearing the remarks of the member from the Bloc. He made some statements with which I do not agree and I have some questions for him.

He suggested the Reform Party was honest in its approach. I agree with him that we are being direct and honest in our approach. He also suggested it is unfortunate that we are in a catch 22 situation. While the people in Quebec can identify with the aspirations of the Reform Party because we represent the aspirations of people in other regions of Canada, the Bloc feels that we will never have the opportunity to form a government because philosophically we are miles apart.

When the gun control legislation passed through the House we were approached by organizations in Quebec representing 1.2 million law-abiding gun owners in Quebec who could not get representation in the House or at the committee meetings.

[*Translation*]

The Deputy Speaker: I would ask hon. members, especially those who were here during the previous Parliament—the people of Canada must think we are pretty silly. I would ask members to show some courtesy to their colleagues who have the floor, and the hon. member for Skeena has the floor at this time.

The hon. member for Berthier—Montcalm, on a point of order.

Mr. Bellehumeur: Mr. Speaker, I realize his microphone was not turned on, but since a few minutes ago, the hon. member for Bonaventure—Îles-de-la-Madeleine has been uttering threats at me. I would like him to withdraw what he said, as well as his invitations to step outside the House. After all, this is not a kindergarten. I would like him to withdraw what he said.

Mr. Gagnon: Excuse me, Mr. Speaker, I never threatened a single member in this House, and I would invite the member to withdraw, because today I have heard nothing but personal insults from the opposition.

I only invited the junior member of the opposition, who is my age, to talk about this in a civilized way outside the House, and I invite him to do so now.

Mr. Speaker, I never uttered threats at anyone in this House.

Mr. Crête: Mr. Speaker, this may be a matter of interpretation, but the gestures he made earlier along with his invitation to step outside, anywhere, anytime, were self-explanatory. In other words, the hon. member wanted to settle a matter in a way that is unacceptable in this House.

The Deputy Speaker: In the circumstances, I will again recognize the Parliamentary Secretary to the Solicitor General of Canada.

Mr. Gagnon: Mr. Speaker, this is not a school yard. This is the House of Commons. And as I said, if the hon. member has anything to tell me personally, I would invite him to do so outside, that is all, to settle this matter once and for all.

However, to say that we are threatening members of the opposition—I think it is unfortunate the level of debate should sink so low.

Mr. Leroux (Richmond—Wolfe, BQ): Mr. Speaker, I also witnessed this incident, and I can confirm to the House that the hon. member for Bonaventure—Îles-de-la-Madeleine actually invited my colleague to step outside and fight.

Mr. Speaker, I think we have had enough of these denials of what happened and these attempts to convince others that this was not the case. It was. He invited my colleague to step outside of the House and fight.

• (1040)

The Deputy Speaker: My colleagues, I did not hear the words we are discussing now. I will review the blues, the minutes of the proceedings, and if I see anything, I will get back to it later in the House, if necessary. For the time being, we must take the hon. member at his word. The member for Skeena has the floor.

[*English*]

Mr. Scott (Skeena): Mr. Speaker, to finish my remarks before we get into school yard tactics here, the hon. member from the Bloc was suggesting the Reform Party would never form the government. I beg to differ with him. I feel genuinely sorry for those members because they earnestly believe they will achieve their goal. However we all know they will not.

When the people of Quebec vote no in the referendum on October 30, they will then be looking for alternatives and the Reform Party is the only political party on the national landscape right now that offers serious alternatives.

Members of the governing party have a vested interest in keeping the debate ongoing for the rest of their lives because there is a political gain in it for them.

The Reform Party has a completely different vision of that, a completely different point of view. If the Reform Party gets the opportunity to form the government, which we believe we will in the next federal election, there will be an opportunity to discuss a new federal arrangement with all the provinces, not just with Quebec.

Mr. Pomerleau: Mr. Speaker, I fully understand the trouble in the minds of my friends in the Reform Party, but it is a reality, it is a fact, that within the country there are three major voices. The first one goes to Ontario, the second one to Quebec due to the demographic compilation, and the third one goes to westerners. In my own opinion it is a shame. Even the Liberal government is always calling the Reform Party the third party because that is the way it is.

I sincerely think westerners should have a real say in Parliament. They should be entitled to run for power, which is not the case actually.

My friend suggests that if the no wins, the Reform will probably form the next government. However, if the no wins, for a short period of time the Prime Minister of Canada will be seen as the saviour, Captain Canada, and he will be elected again. We will be here too. To have the potential to take power the Reform Party must assume that it should support the sovereignty of Quebec.

Hon. Raymond Chan (Secretary of State (Asia–Pacific), Lib.): Mr. Speaker, I have been sitting here listening to the complaints of the hon. member of the Bloc, the official opposition.

There are two points I would like to clear up before I deliver my speech. It is sad for me to see in the House that both the Bloc and the third party are seeking an alliance and to see the Reform Party trying to ask for friendship from the separatists. I could not take that.

An hon. member: That is not true. Tell the truth.

Mr. Chan: You were not here to hear the praise that was offered by that party.

As an immigrant I came to this country at the age of 17. My family went to Hong Kong and I came from Hong Kong to Canada. I came to Canada as it is. To hear the separatists day in and day out in the House trying to destroy the country that I came for is very sad.

There is also another point. The hon. member from the Bloc was talking about the provincial rights the bill infringed upon. This is not true. There is no change with respect to provincial rights. Where a province has rights today it will continue to have rights after the bill is law.

• (1045)

What all provinces and territories along our coast will gain is the federal government's commitment to work together with them to ensure an integrated approach to providing greater protection of our marine environment, improve the management of our ocean resources, and ultimately better economic opportunities for our coastal communities. The Bloc's accusations are not true.

I am pleased to join my colleagues and members of the House in the second reading of the oceans act. I rise today in support of this legislation, which will establish major new rights over the oceans that surround our country. Canadians pushed hard in the councils of the world for the opportunity to establish these rights. The new zones grant Canada powers that go well beyond the powers our country asserted in the past.

As the Minister of Fisheries and Oceans said, Canadians are not naive. We know that the oceans act will not forever end maritime disagreement with other countries. There are undoubtedly bound to be some problems in the future with our circumpolar and Pacific and Atlantic friends and neighbours.

What the act will do is put in place a clear definition of jurisdiction that is fully supported by global agreement. The world recognizes Canada's jurisdiction over Canadian waters and now we must continue to work hard. With ownership comes both opportunity and responsibility. With jurisdiction comes stewardship. With respect for the efforts of the past comes respect for the needs of the future.

For all of the excellent co–operation that went into establishing oceans jurisdiction, the truth is that Canada's policies for actual management of oceans were fragmented. The same spirit of partnership, co–ordination, co–operation, and innovation that enabled Canada to gain authority over ocean resources must now be used to manage those resources.

We have before us the task of making sure that the pieces all fit together: conservation and commercialization, deep ocean research and cold ocean rescues, emergency responses and sustainability, navigational safety and national security, national goals and regional initiatives, resource restoration and job creation, inspection and protection.

There are pieces of the puzzle that seem to grow larger and larger in size and importance: climate change, ecotourism, aquaculture, Arctic pollution, interrelationship of species, expanding human population, new technologies.

The oceans themselves are constantly fluctuating. They are independent, living ecosystems. Yet they are interconnected and linked with one another and with the entire global environment. Just as in the tropical rain forests, there are yet unknown medicines to be found in the oceans and yet unknown dangers to be faced.

The oceans act defines a new vision for Canada's oceans. It allows for the development of a new management regime to protect its oceans. This is a regime based on co–operation, collaboration and partnership. It allows the Minister of Fisheries and Oceans to enter into collaborative agreements and partnerships with all stakeholders to implement this ocean management regime.

The oceans act does not attempt to create a fully developed ocean management strategy. It recognizes that we must work collectively. The bill before members of the House of Commons creates the jurisdictional foundation and some of the policy framework so that all Canadians can build the strategy together.

We must have a better understanding and knowledge of the oceans. Science must be multi–disciplinary. Partnership across organizations and disciplines and sectors of society is essential. Precisely because our ocean jurisdiction is so huge, our ocean sciences must be on the leading edge. Better information is essential for better decision making. Better science is essential for economic viability and ecological sustainability. Canada's credibility in future ocean negotiations and future ocean trade will depend on the quality of our science.

• (1050)

The oceans act is tailored to increase, co–ordinate, and disperse scientific, environmental, and management information relating to our oceans and their resources. Marine resource management will be an important policy element in the building of a successful oceans strategy. Traditionally governments have carried out their responsibilities in consultation with stakeholders but not in partnership with them. The distinction is critical.

The old way must change and it is changing. The Atlantic Fisheries Resource Conservation Council now brings together industry, academia, and government to make recommendations on fishery conservation and the federal government now follows through on those recommendations. The time has come to expand such partnerships beyond fishery conservation. The oceans act makes it possible to expand partnerships even further to encompass marine plants, underwater exploration, seabed mining and a vast range of development activities that could impact in a marine environment.

A key element of an effective oceans strategy must be the consideration of environmental consequences in management decisions. It will take time, effort and compromise to accomplish this, but Canada needs a functional ecosystems approach to oceans policy. Such an approach must converge across lines of jurisdiction and economic sectors. The issues of environmental concern must be addressed through a range of tools, including coastal zone management, pollution prevention, marine environmental quality indicators and guidelines.

Another key element of a successful oceans strategy is the facilitation of marine trade, commerce and development. It goes without saying that icebreaking, fish inspection, marine navigation services and ocean mapping have priorities in ocean trade and commerce. So do new ocean laboratory partnerships, technology development, regulatory harmonization and resource assessment. This synergy of collective interests and integrated capabilities is recognized in the act and is exemplified in the new Department of Fisheries and Oceans.

The increase in Canada's oceans jurisdiction marries well with the merger of the Canadian Coast Guard and the Department of Fisheries and Oceans. The new organization will be comprised of the principal civilian marine operational component of the Government of Canada. We will be able to realize efficiencies, streamline operations, integrate the operation of the coast guard and fisheries fleets and promote multi–tasking. All of this will help us to work more effectively to provide high national standards and effective services.

For years we have supported commercial enterprises in the Arctic. We have ensured and will continue to ensure the safe movement of millions of dollars of cargo through ice filled waters. We have provided sophisticated analysis in the operation of the St. Lawrence.

Commercial enterprises must have easy access to government data. We have to ensure that new ideas and technologies are transferred from government researchers to the private sector.

The expertise that Canadians have developed in forging oceans policy can be and should be the backbone of extraordinary new global market opportunities. That leads directly to a key element of an oceans management strategy, international relations. From the days when others denied John Cabots's discovery of the new world to the days when others denied Canada's right to protect the turbot, international relations have been centre stage in Canada's maritime saga. Canadians have shown that fisheries conservation will never be sacrificed on the altar of economic trade or political relations. We have shown that conservation is not a bargaining chip in a larger game. Our responsibility now is to make this legislation the turning point in our approach to all international ocean issues.

• (1055)

Canadians need to establish a strong and credible international strategy to carry our messages on marine pollution from ships, on the control of ocean dumping and coastal zone management with our neighbours. Circumpolar oceans management, spill response assistance, international shipping, offshore energy, precise territorial boundary delineation and emerging high seas issues will all require thoughtful leadership by Canadians globally and thoughtful examples by Canadians domestically.

Support from all Canadians for Canada's international actions is of enormous importance. I look forward to the active involvement of Canadians in forging Canada's position on emerging global ocean issues.

As the minister stated on Tuesday, the oceans act signals renewed federal leadership for oceans management. It signals the federal government's commitment to a comprehensive and co–operative approach to oceans policy. It signals that shared information, shared planning and shared oceans stewardship are the wave of the future. It signals that Canada and Canadians are prepared to act in making the most of our ocean assets, opportunities and obligations.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I have to respond to the initial comments of the parliamentary secretary as he described his reaction to this whole Bloc–Liberal fight that is going on this morning.

Somehow he is trying to tie in some association between the Bloc Quebecois and the Reform Party. When he is making that kind of an analogy, how does the minister reconcile the fact that when it comes to acquiescing to the Bloc and it comes to electing vice–chairs, when it comes to making sure that the water is never rippled it is always the Liberals making a deal with the Bloc?

The idea that the Reform Party somehow has any similar vision to the Bloc is crazy. We have repeatedly said the Bloc Quebecois will be defeated, hopefully at the end of the month, that it will hopefully lose its reason for being here, which would be another sweet treat. It surely has the wrong vision about how to fix Canada.

I agree with the minister when he says Canada is a great place. It does need some changes though, and the way to change it is not to leave but to work within the system to make a better decentralized Canadian federation that can be better for all Canadians.

The goal of the Reform Party—

The Speaker: My colleague, I noticed you were getting wound up. I thought I would give you a chance to catch your breath and come back at it right after question period, when the minister will also have a chance to get wound up.

S. O. 31

It being 11 a.m., pursuant to Standing Order 30(5) the House will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

ELLEN FOUNDATION

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I take this opportunity to congratulate Mr. John Willoughby, who has been working diligently for several years on a project called the Ellen Foundation.

In the late 1800s and early 1900s, a farm emigration policy on juveniles was established between England and Canada. This agreement brought 100,000 English children to Canada to work as farm labourers. These children came to be known as "home children".

Mr. Willoughby has just launched his book entitled *Ellen –The Story of a Home Child who was sent to P.E.I.* Ellen, as it turns out, was the inspiration for *Anne of Green Gables* by Lucy Maude Montgomery.

The Ellen Foundation is dedicated to assist home children and their descendants to establish and locate their roots in the United Kingdom, to preserve the history and heritage of the home children, and to provide the information here and abroad on their story and their strong contribution to the building of Canada.

I congratulate John and wish him much success.

* * *

[*Translation*]

DIVISION OF NATIONAL DEBT

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, according to Robert Fairholm, an economist from a prestigious American firm, the financial markets will force Canada to quickly negotiate division of the debt and to maintain the existing economic ties between the two partners. He says that they will be seeking each other out to sign such an agreement.

Since Canada has the worse external debt among the G–7, foreign investors will obviously want to protect their investments by forcing Canada to negotiate with Quebec. The financial markets will be there to cool down the emotions of those involved.

It is hard to believe that the Minister of Finance for Canada is incapable of grasping this and keeps saying that Canada could not negotiate a new partnership with Quebec even if it wanted to.

If the Minister of Finance forgets his duty as the manager of the Canadian debt, and if he forgets where the interests of Canadians and Quebecers lie, the financial markets and one of the worst debts in the western world will be there to remind him of that duty.

S. O. 31

[*English*]

MAJOR BRUCE HENWOOD

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, yesterday one of our Canadian peacekeepers, Major Bruce Henwood, was injured when the jeep he was riding in hit a mine in Croatia. As a result Major Henwood had both legs amputated below the knee.

It is this unfortunate and horrid type of incident which underscores the dangerous and perilous duties performed by our peacekeepers working abroad. Major Henwood is one of many Canadian peacekeepers serving abroad who comes face to face with this kind of reality every day.

On behalf of my colleagues from both sides of the House I extend to Major Henwood, as well as his family, friends and comrades in the field, our heartfelt regret over this tragic incident and our sincerest best wishes for his recovery.

* * *

DAY CARE

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, I draw to the attention of the House a concrete example of our government's commitment to day care.

In my riding of Brant we have day care centres attached to two of our local high schools. They provide care to the children of single adolescent parents who are continuing their education and to the children of mature students who are also parents.

Our thinking here is that if we provide appropriate day care to the children, their parents will continue with their education, which is so important to their future in terms of getting a job and in some cases to breaking the welfare trap.

Unfortunately because of significant provincial government cuts these facilities faced closure on October 1. Thanks to the quick action of my colleague, the Minister of Human Resources Development, we found funding through the human resources investment fund to keep the facilities open.

I congratulate him on recognizing the direct and important link between day care, jobs and education, and thank him for allowing us to continue this unique and effective day care strategy.

* * *

WAR MEMORIALS

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, within the past two weeks I have had the honour of attending the official unveiling of two important plaques commemorating Canadians who served overseas during the first and second world wars.

On Thursday, September 21 a plaque was unveiled at the National War Memorial, a gift from the British people as a symbol of their abiding gratitude for Canada's support during both World War I and World War II.

On Tuesday, September 26 Lech Walesa, President of the Republic of Poland, approved the posthumous award of the Polish Home Army Cross to 26 Canadian airmen for their support in the liberation of Poland.

That ceremony took place at the Canadian Airmen Memorial in Ottawa at Confederation Park. Both actions and plaques serve as a permanent reminder of Canadian bravery and sacrifice in the protection of freedom, democracy and peace.

* * *

ABORIGINAL AFFAIRS

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, I am standing here to support the member for Churchill in his initiative to organize a sacred assembly. The assembly would bring together aboriginal and non–aboriginal spiritual leaders to begin a process of healing and reconciliation.

Spirituality, as the member says, has been the missing element in the political process to reclaim native land and the right to self–government. Spirituality has sustained native people for generations. The importance of spirituality was demonstrated during the recent standoff at Gustafsen Lake where a peaceful settlement resulted through the interventions of a native spiritual leader.

• (1105)

The member for Churchill has urged all his colleagues in the House to support his initiatives. I urge my colleagues to do the same.

* * *

[*Translation*]

QUEBEC TERRITORY

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, the Bloc Quebecois is very pleased with something said yesterday by the provincial member for Vaudreuil and the leader of the No side, Daniel Johnson. Commenting on the Cree referendum, he again indicated his total agreement with the basic principles of international law and therefore with the position of the sovereignists concerning territorial integrity. He clearly affirmed that Quebec is indivisible.

It is to be hoped that the eminent good sense in his words will reach the ears of his federal counterpart, the hon. member for Vaudreuil, who suggests that the people of West Island and those in West Quebec could hold their own referendum, like the Cree, with a view to breaking up Quebec. Let us be a little more serious here. The Republic of Baie d'Urfé does not seem to us to possess all of the characteristics required of a state, particularly

in international law. Would the Liberal members for Vaudreuil on the two different levels please take the time to get their act together?

* * *

[*English*]

AGRICULTURE

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, the publication *Agriweek* sums up the opinions of thousands of prairie producers affected by the Crow buyout. I quote:

> The buyout exercise—is turning out to be distressingly like other government clerical undertakings: disorganized, confused, rigid, user unfriendly. Whoever designed this could not have had even a passing acquaintance with the workings of prairie agriculture and no one with experience in such things could have been consulted.
>
> Except for the agriminister's admonition a fair arrangement should be made, there has been no guidance of any sort as to what would be fair and the payments office has scrupulously avoided giving any advice. Neither owners nor tenants could know what others were doing.
>
> The landlord–tenant split of the payment will go down in history as among the most bizarre rules of any government farm program ever invented, as well as a source of owner–renter friction for years to come.

Prairie farmers know Liberal agricultural policies and programs usually end up a wreck.

* * *

INFORMATION HIGHWAY

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I commend the Information Highway Advisory Council for its excellent report published Wednesday by the industry minister.

The council's vision for the Infobahn of the future is distinctly Canadian. It will be a powerful engine to promote Canadian culture and identity, make government more accessible and accountable, create new wealth and new jobs for the benefit of all Canadians and make Canada's health and educational sectors models for the rest of the world.

I am also pleased to see that the council's recommendation for dealing with illegal content such as hate propaganda mirror the intent of the motion I introduced in the House last January, which was adopted without dissent.

No doubt when these recommendations are fully adopted by the government we will have a guarantee that the information highway will be a highway of harmony, not of hate. No doubt we will have an effective tool to forge a renewed partnership among all levels of government as we face the social, political and economic challenges of the 21st century. I ask all colleges in the House—

S. O. 31

The Speaker: The hon. member for Dauphin—Swan River.

* * *

COMMUNITY OF RUSSELL

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, the government is creating a climate of opportunity for rural Canadians and the people of Dauphin—Swan River are seizing these opportunities to diversify their economies and create jobs at home.

In particular I commend the people of Russell who are forging ahead with an ethanol plant that includes a gluten extracting component and a feedlot operation. Within the same community another group is working to develop a ski hill. The belief the community has in itself and in its future is clear.

I am pleased to be working with both these groups to help them achieve their goals.

I commend the people of Russell and area for the leadership role they are playing in diversifying their local economy and their enduring commitment to their community. It is this community spirit, this commitment to the future, that will ensure Canada remains one of the best countries in the world in which to live.

* * *

• (1110)

[*Translation*]

DIVISION OF NATIONAL DEBT

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, in his inaugural speech delivered to Quebec's National Assembly on November 29, 1994, the PQ premier said: "Today, I would like to conclude a pact of joint responsibility and solidarity with every Quebecer. Our government will collect from everyone what is owed to the public purse—but in return, we ask each Quebecer to help us put an end to the mad race toward illegality".

This righteous pronouncement by the PQ leader was not reflected in the comments made yesterday by his finance minister, who suggested that an independent Quebec might not pay his share of the national debt.

The time has come for the PQ leader to set the record straight and to tell us clearly and unconditionally whether he intends to assume his share of the debt if Quebec separates.

* * *

REFERENDUM CAMPAIGN

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, it seems that the group of business people supporting the No side has finally seen the light. Indeed, at a one–day conference of the Association du centre mondial de commerce, the chairman of the Canam Manac group, Mr. Marcel Dutil, made the following

statement: "If it is yes, we will turn the page and carry on. We are all Quebecers, we are all nationalists, we all have different opinions, and the day after the referendum we will remain in Quebec".

Mr. Dutil's speech is in sharp contrast with the downright inexcusable and despicable comments made with regard to Quebecers by Messrs. Beaudoin and Garcia.

This common sense approach by the Quebec business leaders supporting the No side does not seem to be shared by Mr. Dufour, chairman of the Conseil du patronat du Quebec. While commenting Hydro–Quebec's withdrawal from his organization, he Dufour made veiled threats to Mr. Martineau when he said: "From now on, he will have to look for friends". End of quote. This type of insinuation must stop, and Mr. Dufour could learn a thing or two from Mr. Dutil about respect for Quebecers and for democracy.

* * *

ALLIANCE QUEBEC

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, before the quiet revolution, there were people in Quebec saying: "Keep quiet, stay there, and speak English". We do not hear that line in Quebec any more, but thanks to Alliance Quebec, it can now be heard in Alberta. Yesterday, in Calgary, Alliance Quebec warned the Reform Party to keep quiet during the referendum campaign.

The people of Alberta are aware that Alliance Quebec is an organization without public support, a front funded by the federal government to fuel misunderstandings between francophones and anglophones in Quebec and elsewhere, for partisan purposes.

The message from the Reform Party that Alliance Quebec does not want people to hear is that a No vote is a vote against separation while saying No to the status quo means no more subsidies for groups like Alliance Quebec.

If Alliance Quebec really wants the No side to win the referendum, they should keep quiet and remain in Alberta, where they could speak English all day long, like in the days before the quiet revolution.

* * *

DIVISION OF THE FEDERAL DEBT

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the PQ Minister of Finance has just sent a troubling message to the people of Quebec regarding the debt load an independent Quebec would have to carry.

Instead of coming across as and acting like a serious and responsible administrator, the PQ government's finance minister has decided to add to the uncertainty surrounding statements made by the Bloc leader by asking: "When Mr. Martin says that negotiations will be impossible, does it mean that he will shoulder full responsibility for the debt?"

Are we to understand from what the minister said that a PQ government might decide to stop paying its debts, while at the same time expecting its taxpayers to continue paying all their taxes? Is that the new concept of tax fairness that would be applied in an independent Quebec?

* * *

DIVISION OF THE FEDERAL DEBT

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, in his budget speech, the PQ Minister of Finance announced that he was declaring war on "tax offenders". He said: "Before thinking about increasing the taxpayers' burden, we must make sure that everyone pays the government what they owe".

This is the same minister who, on February 8, made the following comment about the division of Canada's debt should Quebec become independent: "This is not our debt. It is Canada's debt". Yesterday, speaking before a student audience, he suggested that a separate Quebec may not assume its share of the debt.

How much confidence can the people of Quebec put in a finance minister who publicly tells taxpayers: "Do as I say, not as I do". On October 30, the people will say No to this kind of double talk.

* * *

• (1115)

[*English*]

WORLD SUMMIT FOR CHILDREN

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, today marks the fifth anniversary of the World Summit for Children. Under the leadership of Canada, 70 nations pledged that by the year 2000 they would eliminate illiteracy, reduce malnutrition by half and provide universal access to clean water around the world.

This year UNICEF reports that as a result of the summit four million children in the third world will not only survive but will become full productive members of society. However more needs to be done since 13 million children are still likely to die each year for lack of basic health care and safe water.

I rise today to salute the excellent work of Results Canada which continues to promote the summit ideals. As a government we must continue to step up our efforts to ensure that the basic needs of all children worldwide are met by the year 2000.

THE GRUMMAN GOOSE

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, in March 1994 I rose in the House to call on the government to delay the sale of the Grumman Goose while a dedicated group of Canadians in Prince George raised money to keep it in Canada.

This RCMP plane was built in 1944 and can land on water, snow or ground and has logged over 24,000 flying hours. It has seen service on both coasts, in Ottawa and the high Arctic. It has been used for drug busts, surveillance, rescues and air shows in addition to ferrying people and equipment.

I am pleased to report the federal and B.C. governments listened to the Save the Goose committee. Through the committee's efforts this piece of Canadian heritage has been saved for the enjoyment of future generations.

Today at 3 p.m. a retired RCMP pilot will formally hand over the log books of the Grumman Goose to the National Aviation Museum. I invite all members and the public to attend the ceremony.

ORAL QUESTION PERIOD

[*Translation*]

QUEBEC REFERENDUM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, Quebecers will decide their political future on October 30. In order to make an enlightened choice, they are entitled to know the whys and wherefores of the two options before them: sovereignty–partnership, on the one hand, and the status quo, on the other.

I am therefore asking the Prime Minister if he and his ally, Daniel Johnson, will agree to take part in a real four-way televised debate with Jacques Parizeau and myself. Does he recognize that it is all the more vital he take part in such a debate because he alone is in a position to tell Quebecers what exactly awaits them if they vote no?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am very surprised, having known Mr. Parizeau for so many years, that he is suddenly losing his self-confidence and is afraid to face the leader of the No side, Mr. Johnson.

As for me, when the Leader of the Opposition suggested last spring that Parliament be adjourned in the fall, I decided to come to Parliament to have the privilege of meeting the Leader of the Opposition every day, at every question period. We have been here for hours, and I do not refuse to answer. The leader of the No side is Mr. Johnson, I believe; he made an agreement with Mr. Parizeau. Mr. Johnson will keep his word; he will face Mr.

Parizeau. What is new is Mr. Parizeau's fear of facing Mr. Johnson.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, we never asked that the House be adjourned. We were immediately delighted to learn that we could talk with the Prime Minister every day and converse about the future of our respective options and we will be here every day until the end.

We wanted to add to what we already have, because we only have a few seconds, which go by too quickly for my liking. I think that Canadians know full well that a question period, however practical it may be, does not provide the depth that a debate, a real intellectual confrontation on the things opposing us can give.

I think we would learn a lot more, because, had we not had the opportunity to see the Prime Minister for a number of weeks, we would not have known, for example, that he is refusing to recognize a democratic yes vote and we would not have known that he is preparing to slash the old age pensions of those approaching 65 years of age. We are learning things. The more we talk to him, the more we learn.

So we ask him, one last time, to agree to come, as the Prime Minister of Canada, and face those who do not think the way he does on television, live, for an hour and a half.

• (1120)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am answering all the questions here throughout the entire referendum debate. There is a leader of the Yes side, his name is Mr. Parizeau; there is a leader of the No side, his name is Mr. Johnson. The two of them reached an agreement on a debate. Mr. Johnson wants to have a debate with Mr. Parizeau. I have a debate with the Leader of the Opposition, here, every day. They try to frighten people every day, but if people want to live in Quebec and want to keep the security they currently enjoy in Quebec, the best solution, which involves no fear at all, is to vote no and stay in Canada.

The old age pensions will go on being paid out and Quebecers will be treated exactly like all other Canadians in unemployment insurance and old age pension matters. We have nothing to hide, but the Leader of the Opposition, instead of telling Quebecers why he wants to separate, used a new term today—sovereignty–partnership—to try once again to hide the truth. They will invent another one soon, more change, more illusion. Let them say the truth: "We want to separate from Canada". Quebecers want to stay in Canada and they will say so. This is what they will say in the vote on October 30.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, we live in a democracy, and democracy needs enlightened opinion. One of the most crucial moments in any electoral or referendum campaign is when the protagonists with the highest profile meet face to face before the public and debate the merits of their options for an hour and a half or two hours.

Could it be, as Canada and Quebec face their destiny and as the people of Quebec make a fundamental decision, that the Prime Minister of Canada, the defender of Canadian unity, is afraid of his option to the point of refusing to take part in a televised debate of an hour and a half?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, in 32 years, this is the first time I have been accused of being afraid. Really! I have had debates with the Leader of the Opposition, I have a debate with him every day. Had I been afraid, I would simply have asked you, Mr. Speaker, not to recall us in September. I was the one who insisted we be here, to give the Leader of the Opposition the opportunity, on television, every day, to tell Quebecers why he wants to separate Quebec from Canada.

And again today, he used another little term. What was it again?

An hon. member: Sovereignty–partnership.

Mr. Chrétien (Saint–Maurice): Ah yes, sovereignty–partnership. Another word, another change, another pirouette. Why not have the courage to say that you are separatists and we shall see clear results on October 30.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, we learned that we had to thank the Prime Minister for our right to sit in this House and, today, that we should thank him for summoning Parliament.

Mr. Bouchard: He thinks he showed courage by summoning Parliament. But that is his job.

Mr. Gauthier: Since the Prime Minister used all kinds of tricks to avoid answering the question directly, I will go back to the same issue.

I will go back to the same issue and ask him, quite sincerely and honestly, on behalf of the people of Quebec, on behalf of those who want to know what he has to offer the people of Quebec when he is asking them to vote No, would the Prime Minister be willing to take part in a debate with his boss, the leader of the No forces, and the leader of the Yes side, the Premier of Quebec, as the Leader of the Opposition offered him? Will he agree to explain his own proposal to the people of Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I rise every day in this House. I am not the one who passed the referendum bill.

• (1125)

The Quebec government's referendum bill names Mr. Parizeau as the leader of the Yes side. He is the one who challenged the leader of the No side, Mr. Johnson, to a debate. This challenge was accepted by Mr. Johnson, the legitimate leader of the Yes side, who is doing a terrific job. He agreed to a debate with Mr. Parizeau. Mr. Parizeau is now trying to get out of it. I myself face the Leader of the Opposition every day, and I am very seldom here on Fridays. But I am here today. I am still the Prime Minister of Canada with all the problems of a prime minister, but I take whatever time is needed to be in the House of Commons every day. Mr. Johnson is eager to meet with the leader of the Yes side, Mr. Parizeau, but clearly Mr. Parizeau is not eager to meet with Mr. Johnson.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, does the Prime Minister not agree that Mr. Parizeau, the Premier of Quebec, wants to speak with the real boss, the one who can provide answers on cuts in social programs, on the proposal that he is now hiding but that we know he has in mind? Does the Prime Minister not agree that he should participate in this debate because he will be the one shaping tomorrow's country if Quebecers dare to vote No?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do so every day in this House, and I am not trying to avoid my responsibilities in any way. We are answering the questions. The Minister of Finance gave an important speech this week. Other ministers are criss–crossing Quebec to answer questions. I myself will be in Quebec on several occasions until the referendum. However, under the referendum bill, the leader of the No side is not me but Mr. Johnson, who, as I said earlier, is doing a terrific job. I think it is obvious that, for the first time in his life, Mr. Parizeau has lost his self–confidence. This surprises me, however, because it is unlike him. He should nonetheless have the courage to face Mr. Johnson. In the meantime, the Leader of the Opposition may find the courage to tell Quebecers that he is a separatist. I myself am here and I—

Mr. Bouchard: You are afraid of Parizeau.

Mr. Chrétien (Saint–Maurice): It is obvious that Mr. Parizeau needs Mr. Bouchard, because he has lost his confidence. Mr. Johnson is quite capable of defending himself.

I face the Leader of the Opposition every day in this House, and he has not yet given us a single good reason why Quebec should separate from Canada.

* * *

[*English*]

THE ECONOMY

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, in the last election campaign the government ran on a policy of creating jobs and growth. This year there have been absolutely no new jobs and today's GDP figures confirm there has been no economic growth this year.

Since the Minister of Finance has failed to deliver on his promised financial and economic statement what is it exactly that he intends to do?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as is so often the case, the basis for the question is without foundation.

Within the first year of our taking office this country created over 430,000 jobs. Since November of last year there have been over 230,000 new jobs created in the private sector.

Yes it is true there have been job losses in the public sector at the federal, provincial and municipal levels. I find it surprising the Reform Party would not point out that this is because governments are cutting their spending. There is a lot less job loss in the public sector than there would have been if the slash and burn policies of the Reform Party had been brought in.

We came into office intending to reverse the terrible destructive policies of the previous government, a government this member worked for. We have done it and the Canadian economy is now well poised for long term sustainable growth.

• (1130)

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I left the Conservative Party in 1986 because of economic policies such as this minister's. It is surprising that it has taken him 10 years to figure it out.

Yesterday investment dealer Wood Gundy released a scathing indictment of the government's policies on jobs and growth. According to the report, we have "experienced the weakest recovery in domestic spending in the post–war period because of high taxes and tax increases".

Would the Minister of Finance agree the country needs fiscal policies that allow for tax relief in the next budget?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, when reading these studies the hon. member should read them all.

It is very clear that as a major exporting country we are affected by the declines in the economies of Japan and the United States. That is obviously going to affect us.

Some hon. members: Oh, oh.

Mr. Martin (LaSalle—Émard): Mr. Speaker, I have to say they sound like a cow herd in heat.

Mr. Stinson: Only you would know.

Mr. Martin (LaSalle—Émard): Mr. Speaker, that is parliamentary.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I think the minister should not display to us his lack of knowledge of the beef industry.

It is domestic spending that has not recovered since 1991 because federal and provincial government tax increases have pulled more than $12 billion out of the pockets of consumers, an additional $155 for every Canadian every single year.

Will the government admit that it has increased taxes because it has only rolling deficit targets instead of a firm date for deficit elimination?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, to refer back to the study, the tax increases that led to that $12 billion the member referred to occurred under the previous government, of which he was a very ardent worker until he decided to skip town.

This government, in its first budget and in its second budget, did not increase personal taxes one iota. The tax increases, of which there were 39, occurred under the previous government.

I am quite proud to say I do have a beef herd, so when I hear the Reform Party I sure as heck know what a cow herd in heat sounds like.

* * *

[*Translation*]

GOVERNMENT SUBSIDIES

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Prime Minister.

Yesterday, in response to one of my questions, the Minister of Human Resources Development stated that he would agree to support a youth project in his riding if I would vote no in the October 30 referendum. He said and I quote "I am very pleased to say that I would certainly like to give him the assurance of supporting that project if he can give me the assurance of supporting the no vote on October 30".

Does the Prime Minister not find it indecent that his minister of human resources development is formally tying funding to organizations in my area to my political opinion?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I thank the hon. member for his question. I think what we should be focusing on from his question is what the government is doing for the young people of the country.

I had the pleasure during the summer months to introduce the summer job action plan, which created over 44,500 new jobs for young people.

The hon. member should be a bit more consistent with what he is saying. On the one hand, when we introduced the program he said that we were intervening into provincial jurisdiction. On the other hand, in a letter written to the minister he asked us to support a project that deals with Youth Service Canada, a project that he said was intervening in provincial jurisdiction. It is clear that we have a confused bunch on the other side.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I would say that the parliamentary secretary is the one who is confused because I put my question to the Prime Minister but he did not reply.

• (1135)

By refusing to denounce the Minister of Human Resources Development who linked funding with my political opinions, does the Prime Minister not realize that once again he is demonstrating his lack of respect for democracy?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, the hon. member cannot have it both ways. On the one hand he is saying that Youth Service Canada is intervening in provincial jurisdiction. On the other hand, for young people in his riding he wants this program. He should make up his mind.

I have an idea for him. Support federalism, support a united Canada, and those kids can prosper just like every other young Canadian.

* * *

YUGOSLAVIA

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, yesterday the member for Okanagan—Similkameen—Merritt asked the Prime Minister to explain glaring inconsistencies in the government's pronouncements about Canada's mandate in the former Yugoslavia. The Prime Minister's response was flippant and I would like to ask for clarification.

In March the Prime Minister expressly declared that following a debate in the House the government was renewing our mandate for another six months. That time expires this weekend, but officials of both the Department of National Defence and the Department of Foreign Affairs claim that the mandate does not expire for another month or even two months.

I seek clarification from the Prime Minister. When does Canada's formal commitment to the mission in the former Yugoslavia expire? Has the government undertaken to extend the mandate that was debated in the House?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member refers to a debate in the House, and I remember the position of the Reform Party. It was actively encouraging the government not to keep our troops in ex–Yugoslavia for the reason that progress was not being made.

I think the hon. member, with his experience, would very much appreciate that in Croatia our troops were withdrawn when the job was done, with no further ado.

Right now I think the House is entirely aware of the progress that has been made in Bosnia and how close we are to the peace process. To suggest that progress has not been made I think was wrong in the spring and it is wrong now.

Specifically, the United Nations mandate will expire on November 30. The Canadian rotation for the troops is due in mid–November. In view of the progress that has been made, the government will decide by the end of October on the future of Canadian participation.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the issue here is not progress in the former Yugoslavia. The issue here is the mandate of our troops and the discussion in the House.

Last September and again last March the government pretended that Parliament and the people of Canada had a voice in determining our peacekeeping commitments. We remember that in March the debate was held only two days before our mandate expired. Now we find that the government is acting unilaterally, without any consultation.

Canada's peacekeepers have always been faithful in their duty and they are right now. Along with other Canadians, they deserve a clear indication of the mandate and deserve a better answer from the government than the Prime Minister gave yesterday or what I heard just now.

When does our mandate expire, and why has the government not consulted Parliament about its extension?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I remind the hon. member his colleague, then the defence critic, as a member of the standing committee, agreed to a report that in essence said that with respect to the committal of peacekeeping troops in mandates such as the one under discussion, under normal circumstances the House would have a debate. He agreed, somewhat reluctantly, that there were occasions when a debate could not take place. This may be one of them.

[*Translation*]

IMMIGRATION

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Prime Minister. In August we learned that the government had decided to increase the rate with which it was issuing citizenship certificates in Quebec so as to allow the greatest possible number of new citizens to exercise their right to vote in the coming referendum, close to 10 000 people.

• (1140)

The Prime Minister says he would never use new Canadians for political purposes. Would he indicate to us whether this is standard practice when an election or referendum is in the offing?

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the question asked by the hon. member relates to the voting process in the province of Quebec. The province of Quebec obviously handles these matters on their own. The Canada–Quebec accord is such that it is an example of federalism at its most flexible and at its best. If the hon. member does not understand that, she does not understand the accord.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I fear that the hon. member has not understood my question, because speeding up this process does not depend on Quebec but on the federal government.

How can the Prime Minister explain, for instance, that the processing of citizenship applications is being accelerated in Quebec at this time, but that was not the case when elections were held recently in New Brunswick and Ontario?

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member looks at the citizenship process through jaundiced eyes. The citizenship process in Canada goes on the same for those who wish to become citizens, whether they are from Quebec, New Brunswick or British Columbia. We have one system. It works well and it will continue to work well.

* * *

CENSUS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, next year Canadians will be asked in the Statistics Canada census to identify themselves by race. Citizens will be required by law to answer this question. The question is there so that the government can calculate its racial targets for its employment equity program.

Will the Minister of Industry confirm that the government intends to prosecute Canadians who refuse to participate in the exercise of racial identification?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member will know that the purpose of conducting a periodic census is to determine the composition of Canadian society. This is useful for a wide range of purposes.

On the issue of race, in the past people have made calculations based on language rather than a specific question on racial origin. This time we think the provision of fuller information will give us a much better understanding of the make–up of Canadian society. That should be beneficial for a wide range of purposes.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Canadians answering this question will have the option of stating whether they are Chinese, Japanese, Korean, South Asian, West Asian, or Southeast Asian. However, those who want to identify themselves as Canadians will have to select the category "other". In our own country we will have to be considered "other".

Can the minister explain why the government is so adverse to having respondents identify themselves as Canadians?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, unfortunately the Reform Party has repeatedly both in the House and elsewhere failed to recognize that the face of Canada is one of many colours and many languages. In looking at Canada it sees it only through its own eyes and is not able to understand how varied and diverse a mosaic we have created here. This is one of the strengths of Canada. It is unfortunate it has taken this approach to what is a very simple gathering of information for very useful purposes.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, my question is directed to the Minister of Canadian Heritage.

Recently, the president of the Canadian Broadcasting Corporation recognized the existence of two separate networks within the corporation, the English network and the French network. Predictably, Mr. Beatty refused to admit there were inequities in the financing of the two networks.

Does the minister agree that these inequities exist and does he intend to make up for this flagrant injustice to the French network by exempting it from the cuts announced last February?

• (1145)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, we know that the Canadian Broadcasting Corporation is examining and is, in fact, engaged in a thorough analysis of its budgetary requirements. On behalf of the government we have initiated a process to examine the mandate of the CBC. We will also consider the finances of the CBC in the next budget, and that is our position at this time.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the Minister of Canadian Heritage knows perfectly well that the inequities in financing between the English and French networks are obvious proof that francophones are discriminated against within the CBC, especially since the French network is far more successful than the English network in reaching its target audience and does so at a lesser cost. Would the minister at least have the courage to admit this?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I most certainly agree that the CBC's French network plays a magnificent role in developing the "francophonie" in Canada and throughout the world. I certainly agree with that, and I will do everything in my power to ensure it continues to do so.

* * *

[*English*]

AQUACULTURE INDUSTRY

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, my question is for the Minister of Health.

Over the past few years the New Brunswick Bay of Fundy aquaculture industry has grown to be a $100 million industry in the Carleton—Charlotte constituency. An infestation of sea lice is threatening the industry.

What is the minister doing to fast track the approval of new drugs to control the sea lice problem in this region and save this important industry in Carleton—Charlotte?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, Health Canada has received an application for registration of a pest control product called salmosan.

This application is being given priority attention. Every effort is being made to assess the product as quickly as possible. Health Canada remains in contact with officials in the New Brunswick government.

Over and above that, the pest management regulatory agency recognizes the aquaculture industry's needs and has already responded to requests by giving emergency registrations for two other products which have not proved as successful as we would have liked them to be, namely hydrogen peroxide and pyrethrum.

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SOMALIA INQUIRY

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, because the Somalia commission is of pressing national concern, I address the Prime Minister regarding Mark Boland.

The commission admits that its refusal to grant standing to Private Boland violates strict logic. Further, doing so undermines the commission's terms of reference which stress that attitudes, discipline and decisions at all rank levels of the chain of command are to be investigated.

Boland's rejection sends a signal throughout the non–commissioned member community that this inquiry is by officers, for officers and discourages them from coming forward.

Will the Prime Minister uphold the perception of justice by ensuring that Mark Boland is given standing?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for his question. I believe he is aware that the commission has taken this decision not to grant standing before the inquiry for Private Mark Boland. He is also aware that the authority to grant standing rests with the commission of inquiry which is constituted under the rules of Canada and their ruling on this is publicly available for all to know.

He is also aware that because the commission is an independent, properly constituted inquiry, it would be totally inappropriate for me to comment on it and for the minister to interfere.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the reason I went to the Prime Minister was that the inquiry, as I understand it, comes under the Privy Council which answers to the Prime Minister. My question was to him.

• (1150)

The Reform Party compelled a reluctant government to undertake this inquiry. I am now gravely concerned that the commission is being unduly influenced.

Numerous generals and senior officials with only a tangential relationship to the main point of the inquiry are given standing or called to testify immediately. A lieutenant–general has been quietly appointed to head DND's liaison office to the inquiry while another is doing research for the inquiry. Yet soldiers like Mark Boland are being squeezed out.

Can the Prime Minister assure the House that the Department of National Defence is in no way attempting to suppress this inquiry behind the scenes?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we want to have a completely independent inquiry. We have appointed a board that is very competent and it will make sure that it has all the facts.

The Department of National Defence is obligated under the instruction of the government to give all the facts to the commission that are needed to get to the bottom of the problem.

* * *

[*Translation*]

CANADA COUNCIL

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage. The Canada Council has decided to go ahead with the implementation of its new development plan, despite the opposition expressed by the Quebec cultural community. As a result, there are no longer two linguistic sectors and francophones are left with no contact.

Does the minister recognize that, since Quebec's distinct culture will no longer be a factor, this decision means that requests for financial support made by francophone organizations will be like drops in the ocean?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the Canada Council has undertaken an in–depth review of its structures and business plan, the main objective of which is to increase the council's efficiency and effectiveness, not to hit one group or another with punitive action. I think it can be said that the Canada Council has been and will continue to be a driving force for the development of the French culture in Canada.

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, does the minister at least recognize that once again francophones are the ones bearing the brunt of federal cuts? Is this not another way for the federal government to minimize and trivialize our identity as Quebecers?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I will not use the argument that this is an organization operating completely at arm's length from the minister. What I want to say, however, is that there are no signs indicating that the Canada Council is discriminating against francophones. Far from it, the Canada Council is one of the strongest supporters of francophones across Canada and in Quebec in particular.

* * *

[*English*]

MEDICARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the government has no more cash for medicare, yet the demands go up. The inevitable result is thousands of people in waiting lines while the minister has one simple response: line up or shut up.

Will the minister change that response for Canadians in waiting lines?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the Government of Canada is this year transferring to the provinces just under $16 billion for health alone.

In return for those dollars, we ask they adhere to five principles: universality, portability, comprehensiveness, accessibility and public administration.

The Government of Canada will not compromise those principles. We remain the guardians of medicare in this country.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, medicare is splintering under this minister.

• (1155)

There is a Reform solution, a solution called medicare plus, medicare that Canadians love, plus choice. Will the minister consider innovation? Will the minister review medicare plus? Will the minister stop saying to Canadians to just line up and shut up?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we know the Reform agenda. It is a U.S. style, two tier system of health care. Canadian taxpayers do not and should not be expected to support a system which would use their tax dollars to subsidize queue jumping by those who can afford to pay more, that is the rich. Quite simply, it is wrong.

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INTERNATIONAL CRIMINAL COURT

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, my question is for the Minister of Justice. At the International Conference of Appeal Judges which took place in Ottawa this week there was a serious discussion to establish a permanent international criminal court. Such a court would try individual cases of war crimes, international terrorism and crimes against humanity that are not now handled adequately by domestic courts or ad hoc tribunals.

Would the minister say whether the government supports such a proposal for an international criminal court?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the government does support that proposal enthusiastically. The Minister of Foreign Affairs, the Minister of National Defence and the Department of Justice have been active participants in an ad hoc committee of the United Nations which has been working since last year on this proposal. That committee will report this fall to the United Nations Security Council.

I can tell the hon. member because I know of his particular interest in this subject that the international community is making real progress toward a permanent international criminal court to deal with genocide, war crimes and crimes against humanity.

If I may add one word, at the moment there is temporarily such a tribunal headquartered in The Hague. Its purpose is to deal with those crimes against humanity allegedly arising from the conflict in the former Yugoslavia and Rwanda.

I can report to the House about something of which we should all be very proud. Two days ago I met with the chief prosecutor, Mr. Justice Richard Goldstone of the South African Constitutional Court, who reported that Canada is contributing enormously in legal talent, especially in the Rwandan cases. We should be very proud of the contribution we are making in that international effort.

* * *

[*Translation*]

BELL CANADA

Mr. René Laurin (Joliette, BQ): Mr. Speaker, after being forced by the CRTC to abandon its monopoly, Bell Canada is closing several test centres, business offices and telephone offices, while increasingly centralizing its operations. The company is also setting up several specialized subsidiaries to which it subcontracts work, thus changing working conditions for certain categories of employees.

My question is for the Minister of Labour. Does the minister recognize that Bell Canada's relocated workers would lose neither their union nor their vested rights if they were governed by only one labour code, that is the Quebec labour code?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, Bell Canada employees come under the Canada labour code and we are doing our utmost to ensure that their rights are protected in compliance with that code.

* * *

[*English*]

PORCUPINE CARIBOU HERD

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, in 1987 the Government of Canada signed an international agreement with the U.S. to protect the herd and the habitat of the Porcupine caribou which migrate between Yukon and Alaska.

Now the U.S. Congress is blatantly ignoring the agreement and passing legislation to open the sensitive calving grounds in Alaska to oil and gas exploration.

My question is for the Minister of the Environment. The government initiated gunboat diplomacy against the Spanish to protect the turbot. What specific actions is she prepared to take to hold the United States to its commitment to protect this vital northern resource?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, we are hoping in a very few weeks to be able to sign an agreement with the U.S. Secretary of the Interior, Mr. Bruce Babbitt, to set aside the particular calving grounds in question so there will be no exploration.

* * *

• (1200)

PUBLIC SERVICE OF CANADA

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, the Canadian awards of excellence will kick off Quality Month on Monday, October 2. The awards celebrate outstanding achievements in the private sector.

During the last few years the federal public service has gone through tough and sometimes demoralizing challenges. Will the President of the Treasury Board tell us what the government is doing to improve morale and promote excellence in the Public Service of Canada?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I am very pleased to say that for the first time the quality awards that will be given out next week will not only recognize people who have done innovative and excellent things in the private sector but will also recognize those in the public sector.

The federal public service has a fine and well deserved reputation of providing quality services to the people of Canada. We need to applaud that kind of effort on the part of our employees. We need to share the success stories. We need to recognize the innovations that have been carried out by federal public servants.

In this Quality Month as the government focuses more and more on client focused quality services for the people of Canada, I believe we are in a situation where we can make a better work environment for our employees and provide better service to Canadians. That is what Quality Month will help us focus on.

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PRESENCE IN GALLERY

The Speaker: Colleagues, I would like to draw your attention to the presence in the gallery of Her Excellency Anita Gradin, member of the European Commission for Immigration, Justice and Home Affairs.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*Translation*]

TRANSPORT

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the government's response to the third report of the Standing committee on Transport entitled *A National Marine Strategy.*

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[*English*]

THE ENVIRONMENT

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, Canadians have a strong commitment and a strong attachment to the environment. I was pleased only a few moments ago to entertain a question from the Reform Party on calving grounds for the Porcupine caribou herd. It is certainly an indication that environmental issues are not exclusive to party lines and every Canadian believes that our environment is a part of our heritage and a part of who we are.

Since becoming environment minister I have met some incredible people from across the country, people who spend most of their waking hours working on environmental issues such as climate change, biodiversity and reducing toxins.

[*Translation*]

Yesterday evening, I was in Montreal to attend the Second International Hydrogen Summit, where I met people who really take seriously the technological opportunities which will be the major challenges of the 21st century.

[*English*]

I have also seen communities like my own that have fought back against environmental degradation to achieve great things. There are communities that have restored waterways, reduced waste, protected wildlife habitat, created jobs and at the same time have sparked innovative, fledgling incubator industries, communities like my own hometown of Hamilton.

In Hamilton people from all walks of life came together to transform our community from a city that was polluted and full of economic, environmental problems to a community that is cleaner and full of environmental and economic promise. The efforts of Hamiltonians have even been recognized by the United Nations. Hamilton was named Canada's only model sustainable city.

Hamilton was a city which only a few short years ago at the wake of tremendous transition in the steel industry had an unemployment rate of around 16 per cent. Today Hamilton has the lowest unemployment rate in the country and the fastest growing industries are the environmental industries.

• (1205)

[*Translation*]

Based on what I have seen in my home town and elsewhere, I know that the real power to make changes does not rest with politicians but, rather, with Canadians and their communities.

It goes without saying that governments and businesses have an important role to play to better protect the environment. However, without a degree of awareness and understanding, and without some initiatives by the various regions of the country, we will never reach our goal of ensuring sustainable development.

This is why I am pleased to announce a new program called Action 21. We are keeping the red book promise where we said we would give Canadians the necessary tools to protect the environment in their daily lives.

Action 21 will help regional groups carry out their environmental projects. We will match any community financing initiative by giving an amount equal to the community's participation for all admissible projects pertaining to the improvement, the depollution or the protection of the environment.

Action 21 will have to emphasize the measurable advantages of any initiative and favour activities dealing with air pollution, climate changes, biodiversity, toxic substances, and the preservation of ecosystems.

Action 21 includes a public awareness program which will encourage Canadians to make the environmentally friendly choices. We must all learn to care about the environment in our daily lives because we are all responsible for creating a healthy environment in our community.

Action 21 will help only non–governmental and nonprofit organizations. We want to support service clubs, senior citizens associations, youth groups and environment protection groups.

[*English*]

We want to support car pooling and transit initiatives because we think it is critical to reduce vehicle emissions and the effects of climate change. We want to support initiatives which reduce the use of pesticides in fertilizers in non–farm settings because it is important to improve the health of Canadians.

My hope is that we can particularly give a boost to young Canadians in their efforts to improve the environment in their own communities. They will have to do the work. We will match them dollar for dollar, but they will have to raise half of the money. I know they will do that because it is obvious that young Canadians understand that the environment is the key to our future.

We have a lot to do. A recent study by Dr. Sverre Vedal of the University of British Columbia estimates that in that province alone 82 Canadians die prematurely every year as a result of air pollution in the form of inhalable particles. The Government of Canada has the responsibility to take whatever action is necessary to prevent those premature deaths.

Through action 21 we are empowering Canadians to join us in that battle. We are giving Canadians the means to make their own decisions, to build on community based environmental protection and to make sure that Canadians are not only part of the problem, but that every single Canadian is part of the solution.

Action 21 will have an annual budget of $10 million. I will repeat it for the benefit of the taxpayers of Canada: Every dollar we give to any project must be matched by a dollar raised in the community.

Canadians want to find a role in being a part of the solution to the environmental challenges of the 20th century. With action 21 we will be able to achieve that into the 21st century. I know there is not a member of Parliament in the House, whatever his or her political stripe, who does not understand that the future of our children depends not only on the role of government, not only on the important role of business to clean up its own act, but also on the chance for Canadians to change the way we live and to build sustainable development as a cornerstone in all of the actions in every day of our lives.

Action 21 is a small step to get Canadians involved in choosing the right solutions for a better environment into the 21st century. Action 21 will provide them with a small vehicle to get government help to achieve that.

• (1210)

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, as you know, Quebecers care a great deal about the environment. It is part of their culture and of what they are.

Some of them have dedicated their lives to protecting the environment, raising their fellow citizens' awareness, as well as studying nature and its interaction with man. Some even called on the courts to prevent the federal government from going ahead with projects which were potentially harmful for human health and the marine ecosystem.

Local initiatives to clean up riverbanks, reforest urban spaces or even organize carpools are often taken on by individuals convinced they can and must preserve a safe environment for their children. They deserve our grateful thanks.

Clearly, I share the minister's vision regarding the appropriateness of helping initiatives aimed at reducing man's impact on nature.

However, there is a major flaw in the minister's argument. The program she announced today is obviously the kind of measure which upsets programs and priorities established by provincial governments, creates new expectations, and constitutes dubious management practice.

Action 21 is a perfect example of what Quebecers, sovereignists as well as federalists, have been fighting against for decades. The environment minister seems to have trouble understanding that. And yet, it is rather clear: Quebec no longer wants to see the federal government clumsily step in and negate its efforts. Many provinces share the same feeling.

The only purpose of Action 21 is for the federal government to use its spending power in areas of provincial jurisdiction.

The Quebecers have heard this song before. Its intent is laudable, and just about everybody recognizes how important it is. The federal government is setting itself up as a saviour generously handing out mana.

What the minister does not realize is that Quebecers know that government funding will be reduced, even stopped, within a few months or a few years. Budget constraints will then be blamed, as is already the case now.

Groups who have initiated projects will then turn to Quebec for the kind of assistance they really need, at which time the province will be faced with the following choice: either completing ongoing projects or putting an end to them. In one case, the federal government will have shifted to the province responsibility for part of its expenditures and, in the other, responsibility for quashing the projects.

This is something Quebecers have experienced over and over in many areas. Take for example the contaminated sites rehabilitation program and the greater Montreal greening program.

By being very careful not to mention in her speech the amounts earmarked for and actual duration of Agenda 21, the minister confirmed the misgivings we had.

Action taken under Agenda 21 is based on a fifteen year old philosophy aimed at giving the federal government the sole initiative on environmental issues. Relying on the authority of the Supreme Court and on its own spending power, the federal government is gradually taking over this area of responsibility, establishing new national standards which, in many cases, add to existing provincial standards.

In closing, I wish to thank the hon. minister for just proving to us that her government never intended to change the federal system in any way and that all it has to offer Quebecers is the good old Trudeau-style centralization. As long as it is able to get away with it, the federal government will use its spending power in areas of provincial responsibility, disregard priorities

set by Quebec ministers and attempt to gain legitimacy by going over the heads of the provinces. The only way to stop this is to opt for sovereignty for Quebec, even for the fishermen of the Gaspe Peninsula.

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure to speak today on action 21.

Across our beautiful country from our lush forests in British Columbia, the beautiful Rocky Mountains, the great beautiful forests in northern Ontario and Quebec, to the rugged coastline in the maritimes, we indeed have been given an Eden. Unfortunately that Eden is being decimated and desecrated. Unsustainable resource utilization and widespread pollution are occurring in so many areas and it is imperative that we address these problems.

• (1215)

We applaud the intent and intention of action 21. It will help Canadians to deal with environmental considerations in their lives, to deal with sustainable development, recycling, and to increase environmental awareness.

However we have some concerns. Where is the $10 million that is put forth annually coming from? Is it being used for more bureaucrats? Will the money actually go where it was intended to go? We also have some concerns in that the November 1994 environmental partners fund, a program which is virtually identical to action 21, was shut down. Here we are creating another system to do exactly what the environmental partners fund was supposed to do.

Could the Deputy Prime Minister provide us with some information? Why are we creating a new program to fulfil one that we just closed down?

We also have concerns about the assessment process, accountability, monitoring and follow up. I am sure the Deputy Prime Minister would agree that it is critically important to ensure that the moneys actually go to where they are intended to go, which I am sure is her intent.

I hope the program does not become like the Tory green plan, a $2.5 billion boondoggle that went nowhere. The hon. minister knows that. I am sure she will look into ensuring that the same mistakes are not made.

I ask the minister to look at her own back yard in Hamilton. Hamiltonians have worked very hard to address significant environmental concerns on their doorstep, but yet the two largest dumpers of benzene, Dofasco and Stelco, are in Hamilton. I ask the hon. minister to provide us with information so that we know what is being done in those areas.

I also ask that we ensure the program has an identifiable framework, that we have adequate monitoring and follow up, and that the groups receiving it are accountable. We agree with the matching concept in action 21. It is something the Reform Party has continually put forth in other areas. It is a good idea because it shows ownership for those who are receiving the moneys.

We should also focus on school programs. The minister mentioned that she was very interested in youth. If we focused on youth and school programs we might be able to supplement the moneys in the program from existing programs. It might be a cost effective way of expenditure.

As an aside, we speak about the environment and yet 40,000 people die in the country of smoking related illnesses every year. Tragically the government's smoking platform that it has put forth since inception has caused the greatest increase in tobacco consumption we have seen in the last 20 years.

The hon. member mentioned that 82 people tragically die of diseases related to the inhalation of toxic substances. That is a very big tragedy. However let us put it into context with respect to the 40,000 people who die of smoking related illnesses and an indeterminate number who die of second hand smoke. Also one–ninth of all women get breast cancer which might have a genetic toxic component. Let us also look at some of these larger issues.

Our intent is the same as the government's in trying to increase awareness in environmental degradation, sustainable development and environmental awareness. We hope the program will do what it was intended to do, that is increase awareness among Canadians. Let us make sure the moneys go to where they are supposed to go and not to developing more bureaucracy.

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House the eighth report of the Canadian NATO Parliamentary Association where I represented Canada at the committee meetings of the North Atlantic Assembly held in Ottawa and Washington, D.C., June 11 to June 16, 1995.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

CODE OF CONDUCT

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the first report of the Special Joint Committee on a Code of Conduct.

With leave of the House, I intend to propose that it be concurred in later today.

• (1220)

[*English*]

Mr. Speaker, I move that the first report of the Special Joint Committee on a Code of Conduct, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

PETITIONS

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition that has been circulating all across Canada. The petition has been signed by a number of Canadians from B.C. and Alberta.

The petitioners draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to society.

They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

THE ENVIRONMENT

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I rise to table a petition signed by a constituent who is looking for some money to table a report on the environment, economic and social problems.

ASSISTED SUICIDE

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I wish to table a petition signed by the constituents of Lambton—Middlesex and duly certified by the clerk of petitions, pursuant to Standing Order 36.

The petitioners call on Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes to the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

AGRICULTURE

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, I am honoured to rise, pursuant to Standing Order 36, to present a petition on behalf of members of the agricultural community in my riding of Kent.

They humbly pray and call on Parliament to maintain funding for agricultural employment services so that they may maintain their assistance to the many underprivileged who rely on these personal services to find employment.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 164 and 218.

[*Text*]

Question No. 164—**Mr. Frazer:**

Concerning the retirement of John de Chastelain from his position as Chief of Defence Staff in January 1993, his appointment as Ambassador to the United States and his subsequent re-enrollment in the Canadian Forces for services as the Chief of Defence Staff in January 1994, (*a*) what was the pay range for General de Chastelain at the time of his retirement in January 1993, (*b*) what were the retirement benefits received by General de Chastelain when he retired from the Canadian Forces in January 1993, (*c*) what termination benefits did Mr. de Chastelain receive upon leaving his position as Ambassador to the United States, (*d*) under what terms of service (Regular or Reserve) is General de Chastelain currently serving as the CDS and, if Reserve, is it Class B or Class C service, (*e*) what severance/termination provisions were made, if any, for General de Chastelain when he began his current tour as CDS, (*f*) what was the pay range of General de Chastelain at the time of his return to the Chief of Defence Staff position in January 1994 and what is his current salary range, and (*g*) is General de Chastelain currently receiving annuity payments under the CFSA and, if not, when were these payments stopped and when will they be resumed?

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): (a) $128,100–$155,800; (b) Upon retiring from the Canadian forces in January 1993, General de Chastelain received: i) severance pay in accordance with the Queen's regulations and orders 204.40 and the Canadian forces administration orders 204.10, and ii) a Canadian forces superannuation pension; (c) none; (d) General de Chastelain is currently serving in the regular force; (e) Salary and termination benefits were set by order in council; (f) $140,100–$170,500; (g) The Chief of Defence Staff, CDS, has not received an annuity since his re-enrollment on January 1, 1994. His annuity payments will resume when he is released from the regular force.

Question no. 218—**Mr. Simmons:**

With respect to the tobacco demand reduction strategy, (*a*) how much money did the federal government spend overall, under the strategy, in 1994–1995, (*b*) how was the budget allocated among the various components of the Strategy, namely education and promotion, national advertising campaign, research, monitoring of consumption, etc., (*c*) what was the amount initially budgeted for fiscal years 1995–1996 and 1996–1997, (*d*) what impact will the reductions announced on March 2, 1995, have on each component of the Strategy, and (*e*) has Health Canada made an attempt to assess the impact of these cuts on the incidence of tobacco use in Canada?

(b) & (c)

The following is the Health Canada tobacco demande reduction strategy, TDRS, summary of strategy initiatives in dollars

Initiative	1994-95 Budget	1994-95 Expenditure	1995-96 Budget[1]	1995-96 Budget[2]	1996-97 Budget[1]	1996-97 Budget[2]
Legilsation/ Enforcement	4,097	3,114	6,277	3,822	6,072	3,860
Access to Information	1,300	1,300	1,400	1,400	1,600	1,600
Public Education and Awareness Programs	14,254	10,459	43,505	26,345	34,760	21,360
Message Promotion	8,240	8,644	19,460	8,760	17,300	3,700
Research	4,665	4,928	5,305	3,893	4,105	2,490
International Programs	675	571	1,130	755	1,030	705
Evaluation and Coordination	2,769	1,219	2,299	1,393	2,407	1,545
Total	36,000	30,235	79,376	46,368	62,274	35,260

1 Budget before reductions

2 Budget after reductions

(d) The tobacco demand reduction strategy remains the largest, most comprehensive tobacco control initiative ever undertaken in Canada. While the scope and pace of some activities will be reduced, none of the components of the TDRS has been eliminated as a result of the cuts. The essential balance and integrity of the overall strategy have been maintained.

(e) No attempt has been made by Health Canada to assess the impact of these cuts on the incidence of tobacco use in Canada. As previously stated, although the scope and pace of some activities have been reduced, none of the components of the TDRS has been eliminated. For instance, many community action initiatives funded under the community action initiatives program, part of the TDRS, will build a base of programming, expertise and co–operation in the voluntary sector that will make an on–going contribution to achieving the goal of tobacco use reduction in Canada.

[*Translation*]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

OCEANS ACT

The House resumed consideration of the motion that Bill C–98, an act respecting the oceans of Canada, be read the second time and referred to a committee; and of the amendment.

The Deputy Speaker: The Secretary of State for Asia–Pacific was to reply to the question of the hon. member for Fraser Valley East. I believe the member for Fraser Valley East had completed his question or comment.

The member is indicating that he had not. I ask him to do so briefly.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I have a question for the minister.

• (1225)

In what way does he see the government moving to decentralize the Canadian federation to provide services at a cheaper rate with less taxation, and at a cheaper expense to Canadians, to promote businesses and promote a better delivery of services in the Department of Fisheries and Oceans?

Mr. Chan: Mr. Speaker, I thank the hon. member for his question. I will respond to his concern that I was pointing to the alliance between the separatists and the Reform Party. When the separatists propose to separate the country, the onus is on the separatists to demonstrate why they want to separate. What we have to offer is Canada which has been regarded by the UN as the number one country to live in and so on.

During debate today a Bloc member tried to praise the Reform Party because of its tactics and so on, and there was applause from the member's benches. That is what triggered my comment. I hope I have answered that part of the question.

On the decentralization process, during the process of refining government actions the government has been negotiating with provincial governments on all sectors, trying to reduce redundancies and trying to make things more efficient.

The same is true with the oceans act. We are proposing a partnership to bring people together, the provincial side, the private sector and the federal government, to find ways to simplify and to promote harmony in our policies.

I would be glad to support the bill and I hope we will get the support of the Reform Party too.

[*Translation*]

The Deputy Speaker: I wish to inform the House that, because of the ministerial statement and answers, Government Orders will be extended by 16 minutes today.

[*English*]

There have been five hours of debate on Bill C–98 and we are now into 10–minute speeches without questions or comments.

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I am pleased to be given an opportunity to address the House on second reading of the oceans act.

As we consider the legislation before us, we must also take into account the vastness of Canada's ocean area on all three coasts. We must also recognize the increasing stresses on our oceans environment, especially in our coastal areas.

These stresses have resulted in resource depletion, habitat degradation and marine pollution. If we do not act decisively and now, the problems will only worsen. We are becoming increasingly aware that oceans are subject to impacts and influences of both natural and human origins.

We now recognize that we must manage oceans to achieve economic opportunities while sustaining the environment, including the living resources of our oceans. That is true of the Atlantic Ocean, the Pacific coast and the Arctic. Whether it be improving the safety of Atlantic shipping, restoring fish habitat in a Pacific estuary or protecting the fragile Arctic environment from marine pollution, all these require leadership by the Government of Canada.

The time has come for leadership in integrated management of Canada's oceans, a leadership that will be provided by the government through the oceans act. We know that this cannot be done by the federal government alone. Jurisdiction is divided among federal, provincial, local and aboriginal authorities. That will not change. We embrace this reality and will address it through co–operation and partnership.

What will change, however, is regulatory duplication, conflict and inadequacy that result in inefficiencies, failure to protect the environment and impediments to development. Private sector, public interest groups, non–governmental organizations, academics and federal advisory bodies have all called repeatedly for a comprehensive approach to oceans management, an approach that will foster innovative internationally competitive ocean industries and preserve and sustain our oceans.

• (1230)

First Nations have special concerns. Comprehensive land claims can involve important implications for protecting and developing both renewable and non–renewable ocean resources.

These challenges are obvious in the Arctic. Use of the Arctic ocean and sea ice must take account of the fragility of the Arctic ecosystems and ensure that traditional patterns of hunting and fishing can be sustained.

The recognition of the need for an oceans act is not new. The previous federal government said it would do all of this. In 1987 the government of the day announced an oceans policy and that policy was not acted on by it. It said it would submit to Parliament a Canada oceans act but it did not bring forward a proposal.

The legislation for this long awaited act is now before us and because this government is acting. Not only is it acting on a promise from the red book but acting out of the recognition of the need for a more cohesive approach to oceans management.

The National Advisory Board on Science and Technology's report on Canada's oceans policy released last year condemned the federal government for neglect of its oceans responsibilities. It recommended an oceans management strategy and an oceans act to provide a firm legal basis for this strategy. These recommendations were supported by provinces, municipalities, businesses, unions, academics and others.

The government realizes we must turn away from partial, ad hoc, short term measures based on expediency. We must manage our oceans on an ecosystems basis, not on the basis of single sector resource considerations separate from, say, the regulation of shipping or separate from environmental protection. Integrated resource management requires decision making that is open, transparent and based on sound science. It must apply multi–disciplinary approaches and it must integrate economic, environmental and social considerations and the involvement of all affected stakeholders.

Stewardship of ocean and coastal resources is a responsibility that we must all share: federal, provincial, territorial, municipal and aboriginal governments in partnership with business, unions, non–governmental organizations and academics.

As all members are aware, the Department of Fisheries and Oceans took an important step toward integration of oceans management when it merged with the Canadian Coast Guard last April. This merger provided the department with the tools to more effectively provide cohesive oceans management. The merger brought together the key elements of oceans management: shipping, fisheries, ocean sciences and environmental protection. The Department of Fisheries and Oceans and the coast guard fleets became one and in the turbot dispute last

winter the red vessels of the coast guard fleet and the grey vessels of the Department of Fisheries and Oceans performed admirably as a team in the service of their country.

While Canada has taken many steps in the past year to protect and conserve all of our oceans resources, environmental organizations like the World Wildlife Fund, the Canadian Arctic Resources Committee and the Canadian Nature Federation have long called for the creation of marine protected areas under the oceans act. The government has listened to their concerns.

The oceans act will provide for the creation of marine protected areas to protect biodiversity and endangered species. There will be two types of areas. One will be developed in consultation with the stakeholders, the other will be designated by the Ministry of Fisheries and Oceans on an urgent temporary basis in response to the resource crisis.

The ocean act signals a renewal of Canada's leadership in oceans management, a renewal that is long overdue. From the mid–1960s until the early 1980s Canada led the world. In the intervening years our initiative faltered. The federal government in the late 1980s and the early 1990s no longer led Canada in the forefront of global oceans policy. Now this government is reclaiming Canada's role as a world leader.

• (1235)

While Canada has a major domestic interest in its oceans, it has the responsibility to manage them as a shared global resource and we must lead by example. The government is well aware that if Canada is to once again be a world leader in the oceans it will require that the oceans act establish a clear federal lead for the implementation of the oceans management strategy. That is the goal of the government and the legislation. It is to ensure there is a place under the federal leadership of the Ministry of Fisheries and Oceans in close co–operation with other federal and provincial ministers and stakeholders, mechanisms to manage all of Canada's ocean resources. The goal is for our oceans to be clean, safe, productive and accessible.

The oceans act is a key part of the government's commitment to a new oceans management strategy. Developing and implementing that strategy will take the work of many people across Canada. It will be an ongoing process. The government is committed and ready to act on then development of an oceans management strategy. The oceans act signifies a commitment to all Canadians, a commitment to the world.

I ask that other members in the House join with me in voting in favour of this very important legislation.

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, as the previous member for Dauphin—Swan River has stated, our oceans represent a shared global resource. Canadians watching this debate today may not be aware that 80 per cent of the world's population lives in coastal areas attached to oceans. Not only are oceans an important and integral part of Canada's key to survival, they certainly are for the world. The bill before us today calls for Parliament to formalize Canadian jurisdiction over vast new areas of ocean waters and resources off our coasts.

This August in New York the United Nations Conference on Straddling and Highly Migratory Fish Stocks reached agreement by consensus on a new UN convention on high seas fisheries. When this new UN convention is properly implemented it will provide permanent protection for straddling stocks on the Grand Banks of Newfoundland. This is an enormous step forward. It is fully consistent with the oceans act. It completes the protection of some of Canada's most important ocean resources, the once great cod and flounder stocks on the Grand Banks.

While the oceans act is an important element in protecting these resources inside 200 miles, the new UN convention is key to providing permanent protection for them outside 200 miles.

There is massive fishing power deployed on the high seas. The nations of the world have often been unable to control it. The result has been destructive overfishing, depleted resources, human misery and conflict among states.

Before this new UN convention it was unclear whether the escalation of fishing power could devastate resources before the international community had crafted the legal tools needed to prevent that from happening. However, Canada had taken the lead by approving Bill C–29 to protect threatened straddling stocks until effective international means to do so were implemented.

To fill the gaps in international law and control high seas fisheries before it was too late required that coastal states as well as distant water fishing states do their part. All countries at the UN conference had to view matters in the global context.

There have been serious failures in conservation of straddling stocks in all of the oceans of the world. There will continue to be such failures as long as the international legal framework is incomplete. The foundation in the law of the sea convention is sound but by itself it is not adequate. That was recognized at the UN Conference on Environment and Development by the UN General Assembly when the UN conference on straddling stocks was convened. It is significant that the UN conference on straddling stocks arose out of the UNCED conference on the environment.

Over the past 20 years international environmental law has developed and found wider and wider application.

• (1240)

Environmental law and the law of the sea are becoming more integrated. Environmental concepts such as sustainable development, the precautionary approach and the ecosystems approach must be applied to achieve effective fisheries conservation. The new UN convention will greatly advance that integration.

The new UN convention contains the five principle elements needed for an effective international system for conservation. First, the international framework of rules must be legally binding. The new UN convention will be legally binding. Second, there must be proper conservation and management measures. The new UN convention provides for this, notably in the precautionary approach.

Third, there must be compatibility of conservation and management measures both inside and outside 200 miles. The new UN convention provides for this. Fourth, there must be binding and compulsory dispute settlement. Again the new UN convention provides for this. Finally, there must be some means to deal with the situation where the flag state is unable or unwilling to control its vessel fishing on the high seas. The new UN convention does this as well.

Let me explain why high seas enforcement is necessary for an effective conservation system. There are serious and chronic control problems in high sea fisheries. The FAO in its March 1995 report on the state of world fisheries highlighted problems of control and pointed toward pollution.

Renewed international attention is focusing on unauthorized fishing and the role of monitoring, control and surveillance. Fisheries conservation and management are being undermined by such fishing and, together with the lack of effective monitoring, control and surveillance systems is threatening the sustainability of fisheries.

The international community also acknowledges that the accurate collection and reporting of fisheries by catch and discards data are important aspects of monitoring, control and surveillance, issues that will attract increasing attention.

The most realistic and effective means of collecting, verifying and reporting these data are through the use of increased at–sea monitoring of fishing activities.

The FAO report has it right. At–sea monitoring of fishing activities is needed for an effective conservation system. It is a necessary element of the new UN convention.

The new UN convention will make the high seas fisheries provisions of the UN Convention on the Law of the Sea work as they should but have not until now. Together, the UN Convention on the Law of the Sea and the new UN convention will constitute an effective international legal framework for sustainable development in high seas fisheries.

Under such a regime we can rebuild straddling stocks and harvest them on a sustainable basis. This is a great advance over the situation Canada has faced in the past: foreign overfishing, depleted resources, economic decline and conflict with distant water fishing states.

For responsible distant water fishing states like Japan, creating an effective international conservation regime is strongly in their interest. With us they should ratify and implement the new UN convention as soon as possible. Implementation of the new UN convention will be an important advance for humankind. It will be a giant step toward sustainability. In Canada it will be of great benefit to the tens of thousands of fishers and fish plant workers in Atlantic Canada whose livelihood and future depend on the straddling stocks of cod, flounder and turbot.

With the oceans act and the new UN convention in time those resources will be bountiful once more. I am happy to support the bill and I urge all members to join me in allowing the legislation to move forward quickly. The oceans act charts a wise course for the future of ocean policy.

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, it is with considerable pleasure that I rise to offer my support to the oceans act.

The legislation deals effectively with jurisdictional issues which have been under study for a long time. It also deals effectively with ocean management issues in a manner which will serve Canadians for many years to come.

• (1245)

For a long time Canada has worked to focus the world's attention on ocean issues. For a long time Canada has worked to establish formal jurisdiction over the ocean waters and ocean resources that border our country.

In the 1950s Canada played a leading role at the first UN conference on oceans. In the 1960s Canada played a leading role in calling for a UN convention on the law of the sea. In the same decade Canadians asserted their jurisdiction over the northwest passage by adopting the Arctic Waters Pollution Prevention Act and declaring new fishing zones off both coasts. In the 1970s we took unilateral steps to declare a 200–mile fishing zone and a 12–mile territorial sea.

Canadians are all well aware of the recent successful efforts of the Minister of Fisheries and Oceans to protect the fishstocks within our 200–mile limit from overfishing outside and to lead the world in reaching agreement on the conservation of straddling fishstocks.

The oceans act when passed will formalize Canada's jurisdiction over all our oceans. The bill before Parliament is backed by international agreement. The bill declares that Canada not only has jurisdiction over our internal waters, territorial sea, fishing zones and continental shelf, but we also have jurisdiction over a new 12 nautical mile contiguous zone and 200 nautical mile exclusive economic zone.

In the contiguous zone Canada will have formal jurisdiction to apply our fiscal, immigration, sanitary and customs laws. In the exclusive economic zone Canada will have formal jurisdiction for exploring and exploiting all economic resources, not only fish and for conserving and managing those resources.

In this zone covering nearly five million square kilometres of ocean, Canadians will also have jurisdiction over marine research and protection and preservation of the marine environment. If that was all this legislation accomplished it would be an important achievement. We have fought long and hard to establish Canadian ocean rights.

The bill does not stop there. It goes on to streamline and strengthen federal responsibilities for responsible ocean stewardship. It goes even further by establishing the legislative base for a new comprehensive and co–operative oceans management strategy.

The bill sets in motion a new approach to oceans policy, an approach based on the federal government working in partnership with all those who have a stake in the future of our oceans, from the provinces and territories, to the local communities, to fishermen and businesses and environmentalists. Our oceans are a wonderful shared Canadian blessing. They require a shared sense of responsibility and a shared plan for both development and environmental protection.

The bill sets out the objective of achieving sustainable development of our oceans and their resources through an integrated management strategy. The bill aims to achieve integrated planning of ocean activities, harmonized regulations and improved environmental protection based on a comprehensive ecosystems approach.

To reach those ends the Minister of Fisheries and Oceans will be authorized to enter into partnership agreements with other Canadian jurisdictions and organizations and to co–ordinate a cohesive Canadian approach to sustainable ocean development.

The oceans act includes provisions for the establishment of marine protected areas, the development of ocean environmental quality guidelines and the application of Canada's current environmental legislation to the new exclusive economic zone.

When Parliament resumed this month, the Deputy Prime Minister introduced legislation to establish a commissioner of the environment and sustainable development responsible for auditing the environmental performance of all federal government departments. In doing so the Deputy Prime Minister called on all ministers to become ministers for sustainable development and all departments to develop action plans for environmental stewardship.

The oceans act takes the same message forward. It empowers the Minister of Fisheries and Oceans to push ahead with an oceans strategy based on the primary principle that the economic opportunities offered by our oceans are completely and absolutely linked to the environmental well–being of those oceans.

The Minister of Fisheries and Oceans has indicated that he will act quickly, act seriously and act effectively, as he always does. He will not however act alone. He is seeking the advice and the input of all Canadians in developing an oceans management strategy that merges national objectives with regional decision making and sets national goals based upon local wisdom, local needs and local desires.

• (1250)

Once the oceans act is passed, the minister will be in a position to work with all Canadians in meeting the major challenges ahead as we seek to make Canada the global leader in oceans policy for the 21st century.

Through the establishment of the Atlantic Fisheries Resource Conservation Council, the minister has already proven the new willingness of the federal government to take the advice of industry, academic and government experts on fisheries issues. We all know that several heads are better than one and the new partnership approach to fisheries conservation proves it.

The even greater opportunity now is to expand that sense of partnership into the multi–faceted spheres of ocean policy, from resource management to marine safety, from trade development to environmental management, from better knowledge of ocean sciences to stronger international action on global ocean issues.

I sincerely hope that all members of Parliament will come together to allow this legislation to move forward rapidly and become law in the near future. The bill provides parliamentarians the opportunity to come together to act in the interests of all Canadians and in the interests of our oceans environment.

The bill gives Canada important new ocean jurisdictions. The bill provides for solid and sensible federal leadership on ocean issues. The bill creates the legislative framework for the development of a modern and much needed oceans management strategy. Through those measures, the bill creates the conditions in which all Canadians can share in developing a future for our oceans of which we all can be proud.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I thank the member for Hillsborough for his speech on Bill C–98, the oceans act.

It was interesting that just a few weeks ago I had the privilege of visiting Atlantic Canada, his part of the great country we live in. I had the opportunity to visit and dialogue with many inshore fishermen. I discovered somewhat to my surprise that while our current minister of fisheries seems to enjoy a lot of popularity among Canadians who have the impression that the minister is standing up for the Canadian fishing industry, the inshore fishermen I was speaking with in Atlantic Canada were appalled by the actions of the DFO and of course the minister of fisheries who is responsible for the DFO.

These hard working, entrepreneurial people who make their living from the sea feel there is a conspiracy to put them out of business in the way the quotas are structured. They are given quotas to catch fish when the fish are not catchable and there is no quota for the species that is available. They have a quota for a species that is not even in the waters they are allowed to fish. When the other species come in the quotas are reversed. It is so bad that they cannot even pay for the fuel to take the boat out into the water to go after these fish.

These fishermen are also very concerned about the implementation of access fees which I understand would be made possible if Bill C–98 is passed. That will be the trigger which allows the DFO to impose access fees on the fishermen. It will make barely profitable enterprises unprofitable.

I ask the member for Hillsborough if he would stand up and vote for his constituents rather than voting the party line in supporting this bill. Perhaps he needs an opportunity—

Ms. Catterall: Mr. Speaker, I rise on a point of order. I believe we are into 10–minute speeches with no time for questions or comments. I presumed the member was entering into the debate.

The Deputy Speaker: That is the assumption the Chair made as well. We will assume the questions are rhetorical ones, that the member is making an intervention and any questions he asks are rhetorical.

Mr. Hermanson: Mr. Speaker, I would be happy if the member could respond to me perhaps even in his own time when we are not in the Chamber. These concerns were expressed to me by the people who make their living from fishing in Atlantic Canada.

The fisherman said the minister is not standing up for his industry, that he is throwing roadblocks in their way and none of the Liberal MPs from Atlantic Canada are standing up and speaking for them. They are very concerned and appalled. They have 31 Liberal MPs in Atlantic Canada and one Progressive Conservative MP and quite frankly they do not see much difference between the two parties. They were asking if no one in Ottawa was going to speak up on their behalf about these access fees. They see these fees as a tax imposed on them to put them out of business.

• (1255)

I implore the member for Hillsborough and his colleagues, the other 30 Liberal MPs from Atlantic Canada, and the Progressive Conservative member for Saint John to vote against Bill C–98 unless there is a commitment from the Minister of Fisheries and Oceans to not impose these access fees, this horrible tax on the fishing industry. These entrepreneurial fishermen keep the rural and coastal communities of Atlantic Canada alive.

If those members refuse to listen to their constituents, if they insist on voting with their party, voting with the Minister of Fisheries and Oceans, voting with the Minister of the Environment on this issue, I emphasize they will not be voting for their constituents. In the future why should these hard working people vote for members of Parliament who come to the House and refuse to vote for them? These are rhetorical questions but I would appreciate answers from the Atlantic members of Parliament in the House.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I suppose all of us as supporters of a united Canada should rejoice that the Reform Party has finally discovered Atlantic Canada. Nonetheless, it is a bit of overweening pride to assume that a very short visit to Atlantic Canada can possibly generate an awareness of the issues of the people of that region similar to the awareness the member for Hillsborough has after his many, many years of service to the people of his riding in Prince Edward Island and of Atlantic Canada.

I certainly hope members of the Reform Party will manage a return visit to Prince Edward Island. They might learn some humility and attain some understanding that it takes more than a flying visit with a political purpose to appreciate the views of Atlantic Canadians.

It is my pleasure to speak on the oceans act. Canada is a front runner in the area of oceans technology. This legislation will help ensure that Canadian companies involved in this field continue to grow.

The current work in this area is benefiting not only all Canadians but also the world. Canadian oceans related industries continue to bring new and exciting products and opportunities to Canadians and particularly those who live and work in our coastal regions.

One of the identifying factors of Canada is that we are a maritime nation. With our shores bordered by three oceans, our coastline is the longest in the world. We also have the world's largest archipelago and part of the world's longest inland waterway opening up to the sea.

It is important that we continue to build our understanding of our oceans, waterways and aquatic resources. Marine navigation is essential to the safe movement of goods on which our trade is so dependent. Commercial ships carry more than 350 million tonnes of cargo to and from Canadian ports each year. More shipping passes through the St. Lawrence seaway than through the Panama and Suez canals combined.

[*Translation*]

This bill deals with the concerns of the National Advisory Board on Science and Technology and other stakeholders, by allowing the development of an oceans management strategy which includes the planning and management of marine activities while also involving all the partners, including provincial governments.

In addition to promoting investment, the bill will increase the efficiency of environmental protection measures by establishing marine protected areas, by using a more global approach for the management of oceans, and by introducing the management of coastal zones.

• (1300)

[*English*]

I want to return for a moment to the importance of this bill to the growing marine industry which is so important to Canada's economy. We are already recognized internationally as having one of the world's most advanced hydrographic organizations. The Department of Fisheries and Oceans is leading the way in the development of new tools and techniques in partnership with industry.

This will continue as the development serves two purposes. The first is to improve the efficiency with which the department does its work which is in line with government program review initiatives. The second purpose, through the transfer of technology to the private sector, is to help to foster the growth of Canadian industries specializing in this field.

I will mention some of those industries. One of the most exciting new contributions, and this is within fisheries and oceans, is the development of the electronic chart display information system which allows mariners to navigate from a video screen array combining a digital chart with a radar display of shipping, navigational aids, coastline and other features. Canadian ocean industries continue to lead the way in areas of oceans technology and in many other areas.

In the area of remote sensing Canadian industry has developed the compact airborne spectrometer imaging sensor for cost effective aircraft based monitoring of capelin spawning, coastal habitat and algal blooms. This technology was developed under contract to Canadian industry based on technology from the Department of Fisheries and Oceans fluorescence line imager projects.

Three Canadian companies have been exploiting the technology. Itres Ltd. in Calgary is producing, selling and servicing it worldwide. Borstad and Associates Ltd. have developed algorithms for interpreting CASI data into quantitative coastal zone information products and provide a monitoring and information service. AGI Ariel Geomatics of British Columbia collects, processes and interprets airborne imagery for environmental uses.

All of these companies are developing collaborative arrangements with international partners to penetrate the coastal zone market niche in global environmental information services.

The Gable Group is another successful Canadian firm developing products for markets in oceanographic and freshwater monitoring and conservation and industrial applications such as moisture and heat measurement systems for irrigation, forestry and ground water pollution.

There are concerns for instance that salmon stocks are threatened by overfishing or poorly managed restocking and by the adverse effects of environmental pollution. For salmon the better management of the fish resources requires the availability of data on the origin of the fish, their migration patterns, the nutrients and pollutants they encounter during their life. An innovative new method to supply precise, reliable data for salmon migration studies has been developed by Elemental Research Inc. This company's product can measure the inorganic elemental content of fish tissue, bones and scales to the highest possible levels of sensitivity.

The need to make Canada's coastal waters safer and more accessible has been recognized by Mr. Bruce Seligman who has developed the tracked amphibious vehicle, ARKTOS. The Beta prototype has been used by Transport Canada, the Canadian Coast Guard, and more recently the Atlantic Geoscience Centre in Nova Scotia. Watercraft Offshore has successfully achieved over $6 million worth of contracts over the past few years with China.

The list can go on. The future of these new industries is indeed bright. With the oceans act and the oceans management strategy it will be even brighter.

Countries ratifying the United Nations Convention on the Law of the Sea will have to map their 200 mile offshore exclusive economic zone. With Canada's demonstrated leadership in this field many of these nations will turn to Canadian companies to assist in meeting those requirements.

As the world's population grows and society becomes more industrialized, demands on the aquatic environment increase the stakes, are more costly and guesswork becomes more dangerous.

The oceans act furthers Canada's commitment to Canadian ocean industries and ensures the technology continues to flow between governments and industries as partnerships are further developed.

• (1305)

I encourage all my colleagues to join me in supporting this legislation for the benefit of all Canadians.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is my pleasure to rise and speak on this very important bill in Parliament today. I am very privileged to have the opportunity to do so.

I will very quickly cover the purposes of the bill as I see it. I will make a few comments with respect to the concern this party has for the people of the region who are most closely identified on the east coast with the ocean itself.

To begin, the bill is an excellent piece of work. It does what experts on the sea have been talking about. It should have been done a long time ago. Even before I get into the main objectives of the bill, it has to be looked at against the backdrop of the kind of country Canada is.

There is no question Canada is a maritime nation. We have three seas as our main borders. We have the longest navigable coastline in the world. We have the longest non–navigable coastline in the world.

If one adds up the water space not including the Great Lakes which themselves comprise a large percentage of the fresh water in the world, it is a pretty large piece of territory if one extends out to the 200–mile economic zone and follows the coast all along and includes the Arctic waters.

The responsibility for the management of that piece of property, sea property and the resources beneath, is tremendous. It involves close co–ordination to ensure we are getting the most effective management we can.

Canada has had many departments involved with the management of the seas. We have the Canadian forces, with the navy; the solicitor general with the marine aspects of the Royal Canadian Mounted Police; the old DFO as it was before this bill was conceived. Environment Canada has been doing surveys off the coast. The coast guard has been responsible for navigation and safety and keeping the sea routes open. Other departments have had peripheral concerns and interests.

The main purpose of this bill is to establish a framework to support the new oceans management regime for Canada and to consolidate the federal responsibility for Canada's oceans. The key word here is consolidation.

The other aspect of this bill that is very important is that it recognizes in domestic law Canada's jurisdiction over its maritime zones. That has been a very long time in coming.

Without wanting to sound partisan about this, the actions that were taken by the government with respect to the extension of jurisdiction beyond the 200–mile limit out to the nose and tail of the bank, which was not ours by accident of geography, is now in effect ours. Bill C–29 was passed in the House last year very quickly with the unanimous support of all parties, passed quickly by the Senate and subsequently recognized in the United Nations as being right, valid and proper.

One other thing the bill does is develop a new approach to managing the oceans and their resources. In that regard I want to pick one example. On the east coast of Newfoundland, Memorial University has what is considered by all those in the field of oceanography and marine sciences not just in Canada, not just in North America but throughout the world truly a centre of excellence.

It has scientific laboratories. It has the venue, the Logy Bay Research Station, the sea tunnel to test various sea foils, excellence again not just in Canada but throughout the world. It is one of the few resources of that nature that exist. It contains the pilotage training simulator which I had the opportunity, with some of the members of the defence committee, to witness. Certainly the reality factor was so high that one would find it difficult not believing one was not at sea.

These are a few examples of the elements of the centre of excellence that exists at Memorial University in St. John's, Newfoundland. I am very proud to have been associated with that over the years with some of my other colleagues and would hopefully continue to do so.

• (1310)

I want to address another aspect of this which is under the purview of ocean management and is certainly very much involved. This has to do with a statement made earlier by the member for Kindersley—Lloydminster, I think half in jest but I know with an element of seriousness. Because of that I felt constrained to respond to the concerns he raised in all seriousness.

I remind the House that in 1992 the cod fishery, after a bad year in 1991 because of ice that persisted all year, essentially had to be declared a failure. The previous government implemented a program called the northern cod assistance and recovery program to last for two years from 1992 with the hope that the northern cod stock would return. Regrettably, as we all know in the House, this has not happened.

This is a matter of fact. It is generally not known that the previous government—I make this point to make another point—had made no allowance for a replacement for that

program in the event the northern cod had not recovered and said so. The minister of the day in St. John's indicated to the *Evening Telegram* that the government could not really be expected to continue to provide the kind of compensation that was involved should the NCARP program not succeed.

When we became government we found that the budget and the books did not account for any money in the program to look after the failure of that program should the northern code not return. It was through the compassion of this government and the work of many of us in Atlantic Canada, spearheaded by the Minister of Fisheries and Oceans and many of his colleagues in cabinet, that only new money was found in the first budget: $1.9 billion for the Atlantic strategy program, TAGS, as it is referred to. That program is not a perfect program but there are 39,000 people who depend on TAGS in the hopes the cod fishery will return.

Mr. Hermanson: The program is a failure.

Mr. Mifflin: Mr. Speaker, I just heard the hon. member repeat himself. I am glad he did because members of his party have stood up in the House and suggested this program is no good and it should be scrapped.

Ms. Catterall: The Reform Party?

Mr. Mifflin: The Reform Party. Reform Party members have actually stood in this House and said that program should be scrapped. The only thing I have to say to the hon. member or other hon. members from that side of the House is if they believe this should be the case and they want to revisit Atlantic Canada I suggest they be really up front with Atlantic Canadians and make the point they are making here, that they do not agree with the TAGS program and that it should be scrapped.

I have another concern as an Atlantic Canadian which is related to oceans policy because it is related to the well–being of Atlantic Canadians: the Reform Party's attitude toward the regional program that we rely on so heavily, the ACOA program. Again, members of the other party—I am not sure about the member for Kindersley—Lloydminster—have been very vociferous in saying that we should scrap the ACOA program while naming some of the people that have benefited. What audacity.

I can give two examples of successes in my riding. For one example I have to quote the name and for the second example my constituent would prefer that I do not use his name but he will recognize the business of which I speak.

The White Hills in Clarenville is a world class skiing resort. Through the negotiation of $2.9 million, mostly ACOA money, it has been able to do with the resort what would not have been possible thereby bringing many people, not just from Newfoundland but from eastern Canada, St. Pierre et Miquelon to come visit that area and to spread their money in the distribution centre of Clarenville, thereby benefiting from it.

Second, I have a young man in my riding who without government help established a lumber business not many years ago. Through recent assistance by ACOA of not much money, he was able to develop the new piece of equipment which allowed him to export three times what he was exporting without this ACOA grant.

I do not need any lectures from the Reform Party about what we should be doing for Atlantic Canadians. One of the things that we are doing for Atlantic Canadians includes those factors which are contained in Bill C–98, oceans management.

• (1315)

Instead of decrying members on this side and decrying the Minister of Fisheries and Oceans and his colleagues for trying to use these programs beneficially through consolidation and more effective measures, they should be getting on their feet to congratulate them.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is a pleasure to rise to speak to the bill and to the issues raised by the hon. member who just spoke. He was talking about the supposed benefits of the ACOA program, more government subsidies and so on.

I should like to tell the hon. member what I discovered in my recent trip to the Atlantic provinces and what some of the fishermen are saying. I do not claim it was an exhaustive trip, but I did find interesting some of the things they mentioned about the efforts that should be made by the Department of Fisheries and Oceans to decentralize and to provide a better service to fishermen.

When I was in Antigonish they told me that a few short years ago they had two employees of the Department of Fisheries and Oceans who took the time to deliver tags for their lobster traps right to their boats. Now there are 37 employees working out of some office and the fishermen have to go to Halifax to get their tags. This is not a streamlining of services. This is not a slimmed down bureaucracy. If the minister were keen on providing a better service at a better price and more cost efficiently, there would be widespread support.

The reason there is so much cynicism about the bill as one step of many similar steps is that the bureaucracy continues to increase and service continues to go down. Fishermen on the west coast and on the east coast are having difficulty finding a DFO person on the enforcement side in the field. Yet there are many people who seem to be stuck in an office and not providing services.

User fees will be allowed under the bill. The fishermen are saying that they do not mind paying user fees for the government services they use. However the government, not just in this department but in other departments too, continues to expand the requirements placed on the backs of fishermen, farmers and business people. The government continues to expand and charge the people. In other words it becomes a user pay bureaucracy.

The businesses have no say in what services are provided. The government continues to throw more people and more money at a problem and then doubles the fees. It is not a user fee for a finite service. It is just: "Let us tax these poor guys, call it a user fee or a licence fee, jack them up and see if they go out of business".

If the government were sincere about helping out Atlantic Canadians and British Columbia fishermen with the Fisheries Act there are a couple of things it could do. It could provide services in the field.

I have an article from the Vancouver *Sun* about the DFO. It states that John Fraser's report on the Fraser River sockeye indicated that the DFO nearly destroyed the salmon fishery in British Columbia last year through mismanagement and a shocking lack of enforcement.

If the government wants to re-establish some credibility with west coast fishermen at all levels, whether sports, aboriginal or commercial fishermen, it would have some enforcement people in the field to make sure the rules are enforced. It has no credibility on the west coast.

On the east coast it is a similar problem. Through successive years of federal government mismanagement it has managed to pretty well destroy certain parts of that valuable fishery. The people on the east coast do not run around saying: "Thank you, Mr. Tobin, for the turbot", even though we are all glad that the pillaging of that resource is not going on any longer.

• (1320)

What they are really saying is thanks to the federal government for destroying what used to be one of the backbones of the Canadian economy and still is, through no help from the federal government, an important part of a maritimer's life.

If the government wanted to help it could get off the backs and out of the pockets of fishermen and let them get on with life. It is not only fishermen when we talk about ACOA grants. I heard a member from the maritimes make a statement the other day: "Thank goodness for regional development grants. They are the way to prosperity. We will get more regional grants".

If that were the case the maritime provinces would be the most prosperous provinces in the world. The trouble is the government has not yet caught on to the basic economic fact of what is best to promote business, to promote diversity and to promote fellows like the hon. member was mentioning who want to export around the world. We should say to that person: "Listen, I will offer you low tax rates because I am not wasting your money. I will offer you less government regulations so that you can have a chance to put a business together easily. I will make sure that the Department of the Environment does not take three years to do a study when you want to start a mine and that there will be rapid approval processes".

Why not co-ordinate with the provincial governments so it is not overlapped and driven from Ottawa instead of being driven from the provinces where it should be? Then perhaps those people would have a chance to diversify, to get out in the world and do what they want to do? They used to be able to do it before the federal government stepped in and started kicking butt. If it would allow people in the maritime provinces to exert their free enterprise spirit, to go back to the roots that made them strong and the most vibrant part of Canada at that time, we would see a prosperous maritimes.

If we continue with expanding ACOA, giving more grants and having a bureaucracy in the DFO that will not even deliver the tags but will sit back and ask for more user fees, it is hopeless. The government seems to have lost its sense of direction.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 45, the recorded division on the amendment stands deferred until Monday, October 2, at the time normally provided for daily adjournment.

[*English*]

The Deputy Speaker: Is there unanimous consent to call it 1:46 p.m.?

Some hon. members: Agreed.

The Deputy Speaker: It being deemed to be 1.46 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

MINING EXPLORATION

Mr. Bernard Deshaies (Abitibi, BQ) moved:

That, in the opinion of this House, the government should consider revitalizing investment in exploration in Canada and in Quebec by providing for fiscal incentives, including flow-through shares.

He said: Mr. Speaker, on June 5, I had the pleasure of speaking to Motion M-292 tabled by my colleague, the hon. member for Timiskaming—French River, which dealt with mining incentives to help the industry replenish its ore reserves quickly enough.

Without consulting each other, my colleague and I tabled in this House similar motions on mining. This shows that there are many stakeholders urging the government and the Minister of Finance to analyze all possible scenarios and to adopt a policy to revitalize mining exploration.

• (1325)

[*English*]

Ms. Catterall: Mr. Speaker, I rise on a point of order and apologize for interrupting my colleague who is speaking on his private member's motion. However, I wanted to clarify that the deferral of the vote is to 6 p.m. on Monday.

The Deputy Speaker: It is so noted.

[*Translation*]

Mr. Deshaies: Mr. Speaker, that is the message I wish to convey today through this motion, which says:

That, in the opinion of this House, the government should consider revitalizing investment in exploration in Canada and in Quebec by providing for fiscal incentives, including flow-through shares.

We have noted for a long time how little mining exploration is done in both Quebec and Canada. Therefore, we must act quickly to revitalize mining exploration throughout this country in order to replenish ore reserves in this industry. This situation is mainly due to the fact that junior mining companies, which underpin mining exploration, cannot raise enough public funds to carry out their exploration work, while major companies, which have the money needed for exploration, spend an increasingly important part of their exploration budget in developing countries.

The advantage is that those countries already have listed minable sites, while Canada offers few new deposits ready for mining. I remind the House that the committee on natural resources held hearings on this matter last fall and made nine recommendations that were supported by all the parties represented on this committee.

Unfortunately, the government decided to disregard all the work done by the committee and all the evidence we heard there. That is how this government operates. It has given the fifth report of the committee entitled "Lifting Canadian Mining Off the Rocks" the following response: "Keeping Canadian Mining on the Rocks".

I doubt that, by rejecting almost all of the recommendations in this report, the ministers, both of finance and of natural resources, were really aware of the true effect of their decisions on mining exploration in Canada and in Quebec.

All the stakeholders in mining exploration are disappointed that this government did not agree with any of their recommendations, that were based on their expertise and knowledge of mining. I would like to remind the government that more than a quarter of Canadian trade is based on the natural resource sector and that it is time that the government saw the mining industry as an important means of ensuring economic development in our society by achieving the national priorities, which are, according to the Liberal government, employment and growth.

Mines that will be closing in a few years as a result of the depletion of their reserves will not be replaced if new sites are not discovered. This will cause major layoffs and will have a very negative impact on the Canadian economy, especially in mining regions, where metal processing, transportation and other infrastructures will be hard hit.

An immediate response is needed if we are to reverse this trend by the year 2000, since it takes five to seven years on average between the discovery of a mine and start up of production. Failing this, the industry will gradually disappear. Renewal of the reserves is urgently needed; the mining industry is facing one of the hardest challenges it has had to deal with in many years.

As a result of the shift of mining investment to other countries, Canada's known mineral reserves have decreased. In 1992, 28 mines closed and only 8 opened. There are many reasons for this, but the trend must be reversed or the industry will be totally gone within twenty years.

Base metal reserves have been decreasing since 1980 and are unlikely to be replaced at an adequate rate in the near future. The industry has done its part. On numerous occasions it has voiced its concerns to the Government of Canada, which rather than facilitating the process of adapting to the new international competition, particularly from third world countries, has in fact added to the problems by allowing the investment climate in the mining sector to deteriorate compared to the competition.

• (1330)

The industry is working hard to ensure its survival. The economic and political context has not kept pace in order to encourage the industry to remain in Canada. Declining mining investments in our country are linked to a number of growing concerns.

To name but a few of those concerns: heavy financial burdens, compared to the countries of the south of course, particularly taxes and charges unrelated to profits; uncertainty and delays in environmental assessment and approval procedures; regulatory overlap between levels of government and between departments, creating needless difficulties; reduced access; uncertainty about tenure of mineral titles; and lastly, increased financial requirements to guarantee restoration.

For there to be any recovery in the mining industry, an incentive plan must be promoted for mining exploration in Canada, similar but better controlled than the one in place in the 1980s.

Even if base metal reserves are in decline, there is still immense geological potential in Canada, Quebec in particular. The recent opening of the Louvicourt Mine in my riding confirms the potential of the mining industry in Quebec and Abitibi and the expertise of those who discovered, developed and financed the mine and those who now operate it.

It also confirms that governments were right to create the flow–through share system, which helped to finance the initial exploration work leading to the discovery of the mine in 1989.

This particular mine, with $300 million invested to bring it to the production stage, will provide more than 350 direct jobs for the next fifteen years at least. It is the result of a joint effort during the eighties by the federal and Quebec governments to encourage mineral exploration on sites of former mines that were no longer in production and thus deemed unlikely to have sufficient potential as a source of major new discoveries.

New technologies and adequate funding were instrumental in discovering this copper, zinc, gold and silver mine, whose mineral extraction capacity is assessed at 4,000 tonnes per day, while recent finds near the site may extend the lifespan of this mine to 25 years. Its potential classifies Louvicourt as a world class mine.

Three more major projects will start up in my region in the next two years, thanks to the same flow–through shares from the eighties, and I am referring to the Grevet, Raglan and Troilus projects. Raglan in northern Quebec is becoming the largest potential site for copper ore in Canada.

The role of mineral exploration is to find other Louvicourts or Raglans. The average lifespan of a mine is about 11 years, and since it takes between five and ten years from the discovery of a mine to the production stage, we must start today to find the mines of the year 2000.

Many world class mines remain to be discovered in Quebec. This is clear from the examples I just mentioned. Only a small portion of Quebec's territory has been developed, and we could discover mines of this calibre, in practically any mining region in Quebec and Canada.

We have the human and technological resources to make further discoveries. For some years, however, the amount of exploration has been insufficient to renew mineral reserves because of competition from those same Third World countries and insufficient levels of public funding. The discovery of new mines is synonymous with economic development.

Louvicourt and Raglan are a clear indication that the federal government should increase tax incentives, already provided by the Quebec government, for preliminary mineral exploration in order to replace base metal reserves which are running out in this country.

The lack of mineral exploration in Canada is particularly disturbing, considering the general uncertainty as to Canada's commitment to encouraging mineral exploration and mining operations within its territory.

The uncertainty rises from the fact that regulations for access to sites are becoming increasingly restrictive, while environmental regulations or criteria are subject to duplication or diverging interpretations. In addition, obtaining an operating permit has become an increasingly lengthy process.

• (1335)

Exploration companies can no longer be sure that their exploration rights automatically include mining rights. The impression is that they have the right to engage in exploration, but until they have spent millions of dollars to identify an economically viable ore body, they do not know whether they will be able to extract ore and under what conditions.

In this context, there are three ways in which we could deal with the problem: re–establish public financing of mining exploration; improve the efficiency of exploration and make Canada more attractive to investors in the mining sector by improving fiscal, environmental and access regulations.

The flow–through share system has shown over the years that, at least in Quebec, it has made a significant contribution to the discovery of a number of mines. If we consider the 26 base metal or precious metal mines that were in production in Quebec in 1994, flow–through shares were either entirely or partly responsible for financing the discovery of 14 of these mines. Still in the case of base or precious metals, this applies to the discovery of nine out of ten mining projects now in the development or pre–production stage.

Considering these discoveries, the flow–through share system has shown it is worthwhile for governments, since it generates major economic spinoffs.

Already in September 1982, a report on the Canadian mineral industry identified five areas of urgency requiring immediate government intervention; there was urgency then, they said. They were: preventing further erosion of Canada's economic competitiveness in certain key areas of mineral production, including those of copper and nickel; halting and reversing the depletion of mineral reserves; finding new ideas and developing technologies, policies and programs to encourage greater efficiency in mining exploration; reversing the apparent trend of mining investors, including Canadian multinationals, to drop Canada in favour of countries in Latin America, Asia or the Pacific and other areas of development in the world where resources are plentiful; and, finally, generally creating a political and regulatory context better suited to maintain industry viability and stimulate investment in mining exploration.

After 13 years of work by various committees on natural resources and others and with similar conclusions for problems which do not seem to have been resolved and after two federal governments, we are at practically the same point, hence the urgency and the need to act.

If Canada remains at the forefront in the metals market, it is due to the low cost of its mining operations attibutable in large measure to the high level of industry productivity.

The Canadian mineral industry therefore managed to increase its productivity significantly through the rationalization necessitated by the recession in the 1980s.

All of the sectors of the mining industry have significantly increased their productivity by adopting new technologies and mining methods, developed, for the most part, in Canada.

We must therefore support the industry's effort so as to avoid a decline in mine reserves and prepare new deposits for mining to replace those that will eventually be used up.

For many years, the Association des prospecteurs du Québec has been calling in vain for three measures that would promote mining exploration: extension of the expenditure period to 12 months in the year following the year in which the equity was raised and harmonization by Ottawa; a federal measure whereby only the capital gain over and above the net purchase cost would be taxable, something the PDAC is also calling for—Quebec already has a similar measure—; and greater deductibility of exploration expenses federally—the rate is currently 100 per cent federally and 175 per cent in Quebec.

Carrying part of work funded in one year over to the next would not mean any additional expense to the public purse.

To administer this measure, the Association des prospecteurs du Québec proposes a trust mechanism under a mandate conferred by the governments on private sector organizations, which would ensure technical and financial expenditures were justified. The users would pay the costs of the trust.

• (1340)

I have just given a long list of measures which would assist the mining industry and which would meet the demands of various groups. Not all are easy to implement in these times of severe government cutbacks.

However, a large number of them would not cost the public anything and could be very profitable in the medium run. The government must learn to distinguish between measures which involve expenditures and measures which yield dividends for the public purse.

It is essential to restore a climate conducive to mining investment in Canada and in Quebec. According to Natural Resources Canada, data dating back to June 1994 indicate that Canada's investment in exploration barely reaches 17 per cent of world spending in that field, while it was 23 per cent in 1991. We have good grounds to believe that within five years, if nothing is done to create a favourable climate for mining investment in Canada, this figure could drop to 10 per cent.

Such data clearly suggest that Canada must do something fast to reverse this trend. The various levels of government will have to work together to improve fiscal and environmental regulations, as well as regulations governing access to land for the mining exploration industry.

The mining industry can still contribute to the economic development of a country, as many South American countries which rely on the expertise and the financing of Canada to develop their economies have discovered. They know how to attract mining and exploration companies.

The present outflow of exploration funds and the selling of our expertise to foreign countries will lead, in Canada in the years to come, to a reduction of employment in the mining industry and in associated industries like transportation, and therefore to a reduction of the share of the mining sector in the Canadian GNP.

I hope that the measures I just proposed, as well as those proposed by the House of Commons Standing Committee on Natural Resources will be considered and implemented as soon as possible. In Canada and Quebec, we have the mining potential, the technical know–how and the money to allow our mining industry to increase its economic contribution, but the government has to be willing to do its part.

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, I would like to address the House concerning this motion that the

government should consider revitalizing investment in mining exploration in Canada by providing fiscal incentives.

[*English*]

Let me begin by thanking the hon. member for Abitibi for bringing this matter before the House. The Government of Canada acknowledges that it is important for all Canadians to recognize that mining will continue to be a key sector of the Canadian economy for generations to come.

[*Translation*]

On behalf of the Minister of Natural Resources, I am pleased to have this opportunity to be able to tell the House about the measures that the government is presently taking to maintain or increase the economic and social benefits Canadians derive from the mineral and mining exploration sectors.

[*English*]

Mining directly contributes $20 billion to the national economy every year and creates more than 300,000 jobs for some 115 communities throughout Canada. It has significant benefits in almost every other sector of our economy. How many Canadians know, for example, that toothpaste has five minerals in it or that sunscreen contains zinc? How many Canadians think of the mining industry when they add salt to their food or when they switch on their computers or start their cars?

Simply put, without mining and minerals many of the things we take for granted today would not exist. The World Bank recently released a new report ranking all countries on the basis of total wealth. That report ranked Canada as the second wealthiest nation in the world when taking into account our vast natural resources.

Mineral exploration is fundamental to a healthy mining sector. We are witnessing a significant improvement in the fortunes of the Canadian mining industry, thanks in part to recent increases in spending on mineral exploration. Total exploration expenditures for 1994 were $630 million. This total represents an increase of $150 million, or 32 per cent compared to exploration expenditures in 1993. Moreover, the favourable trend is continuing, and spending could approach $675 million in the current year.

• (1345)

The amount of flow through share financing to support mineral exploration in Canada has been on the rise since 1991, when it totalled $40 million. This indicates the increasingly positive prospects for the mining industry in Canada. Flow through shares financing totalled $80 million in 1994 and is projected to be between $80 million and $90 million this year.

There are other facts that demonstrate a turnaround for the industry. This year it is expected that 14 new mines will be opened and that 11 mines will be reopened, representing a net gain of some 700 new jobs. This year could be one of the best years for mining since 1981 in terms of mine openings. Preliminary data indicates the outlook for 1996 may be even brighter. In addition, figures concerning Canada's base metal reserves have been increasing recently. The Voisey Bay nickel discovery in Labrador has been cited as one of the world's richest. There has been tremendous interest and investment in diamond exploration activities. These are just a few of the highlights of healthy recent activity by the industry that is stimulating a number of benefits and jobs in particular.

Let me now turn to the role of the federal government in the mining and minerals sector. The Government of Canada made some very difficult choices in the budget, which were made for the benefit of the country in the long term and did not include any new tax incentives for any sector of the Canadian economy, including mining.

Although we cannot afford any new incentive programs, Canada is still one of the most generous countries in the world when it comes to encouraging mining exploration activities. At the federal level all exploration and preproduction development expenses are fully deductible. In recognition of the special needs and risks of resource development, the flow through share financing instrument allows those deductions to be transferred to individual investors.

Provincial governments, as the resource owners, also have an important role to play in encouraging mineral exploration. Over the past few years a number of them have taken steps to promote exploration activities by introducing new tax incentives. Since the provinces have primary responsibility for determining the pace of activity within their jurisdictions, these steps are highly appropriate, in my view.

We believe the mining industry has a strong future in Canada, but we are also aware the industry faces challenges. During the last federal election the Liberal Party was the only political party to release a detailed plan outlining its commitment to the mining industry. That commitment still stands.

Working closely with the provinces, we will continue to support and encourage the mining sector in Quebec and in every other province and territory across Canada. One of the best ways to do this is to reduce the long term structural impediment to mineral investment. Many of these impediments were identified by the Whitehorse mining initiative, an unprecedented multi–stakeholder initiative that led to a common vision for Canada's mining industry through shared principles and goals. The federal government was a full participant in this 18–month exercise.

To help develop an action plan to address the Whitehorse Mining Initiative issues that fell within federal jurisdiction, the Minister of Natural Resources has established an advisory committee composed of representatives from the mining industry, labour, aboriginal and environmental groups. One of the committee's first tasks will be to provide commentary and advice on the sustainable development and minerals metals

issues paper that was released for discussion in September in Vancouver.

The Government of Canada has already taken several steps to address the most fundamental industry concerns. For example, in the 1994 budget we introduced a deduction for mine reclamation trust fund contributions. In "Building a More Innovative Economy", our government-wide plan for economic growth and job creation, we identified six major sectors of the economy that will benefit from substantive long term improvements to the federal regulatory regime. One of the six sectors is the Canadian mining industry.

Mining sector areas under active consideration include changes to the administration of the Fisheries Act, land use and related decision making, the definition of waste, regulatory regimes north of 60, regulatory impact analysis, and toxic management. As well, important improvements on the issues of overlap and duplication may be achieved through the harmonization initiative of the Canadian Council of Ministers of the Environment.

• (1350)

We believe that the less costly and more efficient regulatory regime that we are trying to achieve will lead to an improved investment climate that is respectful of sustainable development principles. I emphasize our commitment to environmental protection will not be compromised.

The Government of Canada is already making an effective contribution to improve the conditions that are required to ensure that exploration activity will continue to rise in this country. The harmonization of environmental assessment regimes between federal and provincial orders of government and regulatory reform measures through the "Building a More Innovative Economy" initiatives are real and meaningful efforts to reduce overlap and duplication. The goal is to provide stable and predictable conditions that will attract more investment for mineral exploration and for economic activity throughout Canada. The result is that this activity will stimulate new opportunities in Canada and help to put more Canadians back to work.

The Government of Canada is confident that the prospects for mining in Canada will continue to improve and that mining will realize the full potential of Canada's rich geology in a manner that is consistent with the principles of sustainable development. As a result Canadians will be able to enjoy the many benefits that come from a strong mining industry for many generations to come.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is a pleasure to follow the parliamentary secretary. Obviously there is no time for a major intervention.

I find it interesting that one of the other initiatives of the federal government in response to how to keep mining off the rocks was that the standing committee made about 20 recommendations last year that an all-party committee agreed would help to spur on the mining industry within Canada, and the government chose to ignore every single one. They were good words, but I do not think there is a lot of proof in the pudding.

We are here to address the motion of the hon. member for Abitibi:

> That, in the opinion of the House, the government should consider revitalizing investment in exploration in Canada and in Quebec by providing for fiscal incentives, including flow through shares.

In my capacity as the party critic for natural resources, it is a privilege to speak to this issue.

Flow through shares are one way to subsidize industry. They cost the taxpayers hundreds of millions of dollars a few years ago, with only a very few positive results.

We in the Reform Party have called for a reduction in government subsidies to business. We feel that if it is in the market's interest to explore for more oil, gas, diamonds, coal, or whatever it is, the market will marshal the funds necessary to go ahead and do the exploration.

What is the role of the federal government in this regard? Does it have a role? I believe it does. It remains for the federal government to provide a regulatory regime for industry that clears the way for industry to go ahead with sustainable development.

I will clarify what I mean by sustainable development. Development means we want to develop our natural resources. It does not mean preservation; it means sustainable development. Development is a key word. Canadians depend on natural resources for a huge proportion of our jobs, our income, and our standard of living. Sustainable means we want to continue to develop them for decades to come, and in order to do that we have to deal very carefully with our environment. This requires a balance between the two.

A Price Waterhouse study released yesterday dealing with British Columbia's forest practices code illustrates how this balance is fairing in Canada. Enforcing the new code will cost the economy 46,000 jobs in British Columbia. This shows that Canada is losing its balance when it comes to sustainability versus development.

In our concern for sustainability, I believe we are bordering on hysteria and catering to preservationists instead of people concerned with sustainable development. We are stifling development in our country. This is not the intention of the concept of sustainable development.

I met yesterday with representatives of the mining association and listened to the problems they are encountering in their industry. I will give the House one example. They told me that mining companies are warned before any exploration takes place that federal environmental regulators will take a minimum of three years to approve their application for a mine. Instead of getting one permit for one mine, a company must go to every federal and provincial department, official, and bureaucrat in North America to get separate permits to develop what should be a straightforward process. This all takes a minimum of three years. In other countries the same process takes half that time.

• (1355)

Is it any wonder that the mining companies I am familiar with, especially in the British Columbia area, have put so many of their resources into Chile and other countries where they have friendlier and more receptive governments?

The old way of doing business was to assist companies by subsidizing them. Subsidies insulated companies from the market. In the case of flow through shares, in some cases they caused exploration to take place where that was costly, unnecessary and unproductive. This is what the Department of Finance said in its report on the subject in October 1994.

The new way of doing business is to encourage development in an environmentally sustainable way. That requires balance between our concern for the environment on the one hand and our desire and necessity to explore and develop our resources for the benefit of all Canadians.

If sectors of the industry are suffering in Canada, it is not the fault of the federal government for not subsidizing it. The fault lies in a regulatory regime, at least partially, that needs streamlining and co-ordination between different federal and provincial jurisdictions.

The second thing we need, and I do not want to elaborate on this too much, is a tax regime in Canada that is competitive with other nations. We also need, and this is very important, to resolve our disagreements over land use and tenure. We need to resolve that with our aboriginal people so we can move forward and establish stable environmental standards, land use standards and a tax regime that is predictable so that mining companies feel comfortable and confident in investing in our Canadian future.

How many times have we heard industry say that if you just get off my back as far as taxes go, get out of my hair as far as regulations and unnecessary duplication go, I will create jobs and opportunities in this country that will make your head spin. We hear that time and again. They do not need or want a subsidy.

I am surprised and I might almost say astonished that this particular motion would come from the member for Abitibi. Let me paraphrase what he says. He says he wants the federal government to pour money into subsidies for industry in Canada and in Quebec. I am surprised, because the member for Abitibi is a member of the Bloc Quebecois, which as we all know is a political party with only one purpose, and that is to destroy Canada as we know it by taking Quebec out of Confederation. It is even more astonishing since natural resources, by our own Constitution, is and should be in the purview of the provincial government. Not only that, but in the middle of his own campaign to destroy the federal government, the member stands up in the House and asks that the federal government subsidize more industry in Quebec.

I hope the member understands that people from my riding are frustrated by this kind of behaviour. This is a good illustration of Quebec's separatist movement, which lives in a world of illusion, a fairy tale where one wants to enjoy the best of both worlds.

The separatists have always been of two minds on the subject of independence. It reminds me of someone who wants to have his own place, his own car, his own life, but he wants his parents to pay for it.

With a motion like the member has put forward, I wonder if the member is really a sovereignist at heart at all. If he really believed in independence he would be asking the federal government to get out of Quebec, not subsidize the industry there. Perhaps the member secretly depends on the family and he does not really want out of it; he just wants his own apartment.

I believe that most Quebecers take a more mature view of life and of our country. They recognize that the Canadian house is big enough for the entire Canadian family to live together in happiness and prosperity.

The Reform Party agrees with the member for Abitibi in calling for change. Change is necessary; we all recognize that. However, we are calling for a new Canada, not a separate nation of Quebec. We are calling for a new Canada, a Canada built on equality but a Canada with a smaller federal government role, not a larger one, where all regions can be satisfied with a less oppressive federal fiscal framework.

I reiterate to the House and my constituents that I am anxious that Quebec remain an equal partner within Canada.

Last spring I went down to Montreal. I caught one of the last games played in the old Montreal Forum. As we were wandering around in the old part of Montreal before the game and we were talking to people, they were very friendly. A couple of times people came up to me on the corner—I guess I obviously was looking for something at the time—and offered to help us out and give us directions and so on. I was very impressed. I thought that was a typically Canadian thing to do. If you see somebody in

trouble you want to help out. In my travels and in talking to many people I have found that Canadians are basically the same everywhere.

• (1400)

The more I talk to francophones the more I realize they have the same goals and aspirations as people elsewhere in Canada. They want good jobs with good incomes, safe streets, a fair taxation system. They want less government bureaucracy in their lives. They want much the same things as people everywhere else. We share common values and interests. The language we speak is really of secondary importance to those major things.

Language is a code. We can speak English or French. We can use Morse code or a computer language. We can do what we like in that area. It is just a method of communication. What is important is what we are communicating, the content of our communication, the core values we have regardless of the language we use.

I believe that as Canadians we want to continue to communicate with one another. Quebecers have given their time and energy to building homes, industries, towns and cities that are among the best on the entire planet. During the world wars and in our peacekeeping duties they have spilled their own blood to carry Canadian values around the world. They see that Canada is the best place in the world in which to live. I am confident they are going to vote no on October 30.

In closing, we do not support any motions that call for more subsidies. That is the old market distorting way of doing business. We would welcome a motion from the Bloc calling for a better balance between sustainability and development in Canada. That is supportable everywhere. Most of all, regardless of where we are in Canada, we invite Quebecers, including Bloc members, to join hands with Canadians, whether we are English Canadians, Japanese, Italian or of whatever descent to build a new and united Canada together.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, the Reform member had a lot to say about the Bloc, but I just want to make a quick comment. He said that Quebecers are polite and that is true. We are extremely nice and polite and we know that.

However, I do not agree with the member when he says that language is a secondary issue. Language is a reflection of one's culture on the North American continent, and it is certainly not a secondary issue for Quebecers.

I cannot help but wonder: If language is a secondary issue for the member, that means he attaches little importance to us; consequently, why does he want us to remain part of Canada? The only true reason I can find is of an economic nature. This is why we are important to western and atlantic provinces, and why they want us to remain part of Canada. I just figured out why they do not want us to become sovereign.

There is no doubt in my mind that natural resources are, for a future country like Quebec but also Canada, a very important economic tool.

A country that has no natural resources or that does not pay proper attention to their development will, sooner or later, experience serious problems in the context of global competition.

Of course, its economy will be seriously affected, but one must remember that a country's natural resources are an asset for the whole community, not only for some individuals or large corporations.

Natural resources in both Quebec and in Canada belong to their respective communities. If they are developed for the well–being of the people, they are central to development.

Not only do they create jobs, but they also greatly contribute to economic growth.

• (1405)

When our raw materials are transformed here into finished products, they create a very important collective wealth. One must never forget that a job created in the natural resource sector has a multiplying effect on the whole economy, as long as we are not only raw material suppliers, as we have been too often in forestry. We ship wood from the Matapedia area to Montreal and Toronto, then finished wood products are shipped back to us.

In the mining sector, the discovery of minable deposits, or exploration, is at the very beginning of this potential chain. But for that chain to be started, we should, as my colleague for Abitibi suggested, consider revitalizing investment in exploration in Canada, notably by providing for fiscal incentives, including flow–through shares. Quebec is a good example.

To generate every possible benefit, natural resources development planning must be consistent and, surely, ongoing. It would be wrong to think that we can leave this to the private sector alone, as some trends of thought would have it. It is necessary for governments, through their tax system, and flow–through shares among other incentives, to foster investment in exploration. In Canada, over the past few decades, we have seen a clear decline in the exploration and the processing of our natural resources, particularly in mining. We are now making a fresh start. All the better.

Several issues are at the root of the problems facing Quebec and all of Canada in this major sector of our economy. First and not the least is the constant fluctuation of the global markets, which is indeed a very sensitive issue. Sudden fluctuations of the world economy have greatly affected the development of our natural resources. When the prices of natural resources go up and down like in a roller coaster, massive investment in that industry does not seem very attractive.

The other problem has to do, of course, with the general economic slowdown. When the demand is decreasing, exploration and transformation also slow down. Another important element is the inefficiency of exploration incentives. The current tax system is not in sync with the real objectives. We must change it, for example by providing flow–through shares.

Most of the stakeholders in the mining industry we have met during the hearings of the Standing Committee on Natural Resources agree that the current measures are not very efficient. Also, they do not meet their goal, which is to promote exploration and discovery of new deposits.

Some stakeholders think that the current measures only reward the big corporations, who can unfortunately deduct part of their operating costs from their income tax. The inefficiency of current tax measures is only increased by all the red tape due to the federal government infringing upon an exclusively provincial area of jurisdiction, as enshrined in the constitution.

Because of the lack of program co–ordination in this field as in many others, developers as well as producers waste a lot of time and energy. Having to go constantly from one level of government to the other to get authorizations, to ensure compliance with existing policies or to adjust to the different tax standards of each government, to try to understand and, especially, to make people understand is far from productive for businesses. This waste of time is reflected in substantial losses.

In the Bloc Quebecois, we wish that once and for all the federal government would fully recognize the jurisdiction of Quebec and the other provinces over natural resources. We want Ottawa to give the provinces control over natural resources and to truly encourage investment in exploration through tax incentives such as the flow–through shares, for example, in co–operation with the provinces.

• (1410)

I do not understand the federal government's attitude. Why is it trying so hard to take over resource management from Quebec and the other provinces? Why is it always sticking its nose in areas where it has no business? Why is it not working with the provinces instead of competing with them, and, moreover, using our money, our tax dollars to do so?

Why is it not adjusting the federal tax system in co–operation with the provinces to make it more responsive to the real needs of the industry? This is what we want to know. Is it because, as certain federalist big guns have said, those of us from Quebec and the provinces are incapable of doing the work or simply of delivering?

On the contrary, we, Quebecers, are perfectly capable of managing our own natural resources. Our social and political institutions have a long democratic tradition. Our people are well educated, and we can count on a multitude of workers capable of doing all the jobs in natural resource exploration and processing.

We have very abundant natural resources. Over the years, Quebec has acquired the ability to act as it sees fit in organizing development, and its tax system strongly supports its industry.

With the help of adjusted fiscal programs and so–called flow–through shares, Quebec has been able to further diversify its economy in areas such as culture, research and processing.

Quebec has changed over the last thirty years, and we can no longer tolerate that our natural resources be practically given away, as was unfortunately the case in the past.

Through our tax system, we have encouraged Quebecers to invest in their own province. The experience of the development of Northern Quebec has left indelible marks. Hopefully, we will never again see foreign industries shut down towns and villages, and abandon entire regions. As Quebecers, our success in the area of natural resources certainly no longer depends on foreign investors or on federalism.

On the contrary, our success is the result of our imagination, our initiative, our actions, our creativity, our decisions, our efforts and the desire of Quebecers to play an active role in their own economy.

The tax measures introduced by successive Quebec governments have played a very important role, and all of Canada readily recognizes it.

Moreover, these tax measures and our own successes have helped to reduce our dependency toward foreign investors. While in the rest of Canada, the federal government begged foreign investors to develop natural resources, we, in Quebec, took control of our destiny. At present, the French–speaking Quebecers control more than half of the industrial and commercial corporations in Quebec. This is remarkable. This is almost twice as much as 30 years ago. In Canada, we see the opposite happening.

During these 30 years, a growing number of Canadian owned companies have fallen into foreign investors hands. Any country that lets foreigners extract its natural resources is no longer a master in its own house.

Finally, I know very well that all these requests I just made will not amount to much. Even if it would have us believe otherwise the present government is very centralizing.

We of the Bloc Quebecois want our neighbour, Canada, to remain very strong, especially in the mining area, since it will be one of our economic partners after October 30.

The Deputy Speaker: Dear colleagues, since no other member wants to speak and since the motion has not been declared a votable item, the hour provided for the consideration of Private Members' Business has now expired.

[*English*]

The House stands adjourned until Monday at 11 a.m. I hope everyone has a good weekend.

(The House adjourned at 2.14 p.m.)

HOUSE OF COMMONS

Monday, October 2, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

The House resumed from June 6 consideration of the motion that Bill C–277, an act to amend the Criminal Code (genital mutilation of female persons), be read the second time and referred to a committee.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Bill C–277 is technically an amendment to the Criminal Code of Canada dealing with the subject of female genital mutilation. This issue raises a wide variety of concerns: legal, medical, immigration and multicultural. All of these issues must be addressed when dealing with Bill C–277.

The most important issue the bill raises is that of clashing cultural values. How tolerant is a multicultural country like Canada supposed to be in accepting the cultural values of immigrants? As a general rule, Canada has been one of the most tolerant nations in accepting and encouraging differing value systems.

However, this acceptance has not and cannot be absolute. For example, Canada has not accepted polygamy as an acceptable way of life, even though it is common practice in many nations. Some might argue our refusal to accept polygamy is discriminatory. My response to such criticism is simple. If you do not like the rules we play by in Canada, do not come to our country.

Hundreds of thousands of immigrants and refugees come to our nation every year to start a new and better life, but when they come to our country they agree to play by our rules. Our rules say one cannot have more than one spouse and, more important, that one does not mutilate little girls. Female circumcision is just that, mutilation.

There is no religion in the world that prescribes female circumcision as part of its doctrine. It is rather a cultural tradition in some countries in northern and eastern Africa. Because Canada accepts immigrants from all over the world, it is an issue that now is a concern for Canadian law makers.

During the first hour of debate on this bill, members from all parties provided examples of why this is an issue in Canada. While I will not repeat the examples, suffice it to say there appears to be a body of evidence that female genital mutilation is taking place in Canada today. While there appears to be a fairly substantial body of evidence that female genital mutilation is occurring in Canada, there has never been a prosecution of anyone involved in such a procedure. Why?

The bill presented to the House by my colleague from Quebec would make anyone who commits genital mutilation guilty of an indictable offence. As well, anyone who aids, abets, counsels or procures the performance of female genital mutilation would be similarly guilty of an indictable offence.

The members from the government who spoke on the bill believe more counselling is needed and if criminal charges are necessary they can be covered by existing legislation.

• (1105)

What better way of counselling anyone who comes from a culture that practises female genital mutilation than by having a section in the Criminal Code by which if anyone commits female genital mutilation or even aids, abets, counsels or procures such an act he or she is guilty of a serious crime?

If we are serious about eliminating this practice that is the message we should be sending to these communities. I ask the government members who say current legislation already covers this act why there has never been a prosecution of such an act in Canada. If there ever is a prosecution under the assault causing bodily harm provisions of the Criminal Code, the defence would be arguing there never was any criminal intent to cause bodily harm.

By making this a specific offence, as laid out in Bill C–277, all the crown would have to prove is that those charged knowingly participated in female genital mutilation.

I have to agree with the members for Calgary Southeast and Bellechasse who called for an increased maximum sentence. If, as Liberal members suggest, charges could be laid under the assault causing bodily harm provisions of the code, the maxi-

mum penalty for committing this specific crime of female genital mutilation should be the same as the 10–year maximum that exists for assault causing bodily harm.

Let us not make any bones about it, female genital mutilation is a serious offence committed against young girls in the 10 to 12–year range. It is, in effect, extreme child abuse.

While I am generally reluctant to give the provincial legislatures any advice on how to run their affairs, I will make an exception here. I strongly believe that once Parliament passes Bill C–277 or similar legislation the provinces should make amendments to their child protection acts. These amendments should make the reporting of female genital mutilation mandatory for those employed in health, education and social service professions.

It is important the House send a clear and strong message to everyone in Canada that anyone involved in the practice of female genital mutilation is committing a serious crime. However, I believe that before we get to that stage, Bill C–277 should be given a complete hearing at the committee stage. I would like someone to appear before the justice committee and explain why female genital mutilation should not be criminalized. I would like to be there and hear somebody attempt to defend this practice. I would like to hear someone explain to Canadian parliamentarians why such acts should be allowed to continue in Canada.

However, I have a sneaking suspicion the committee would be unable to find anyone who would publicly justify female genital mutilation. How does one possibly defend the indefensible?

While I believe the issue should be reviewed by the committee, I will not even attempt to give the pretence that my mind can be changed. Female genital mutilation is a violent sexual assault committed against young children under the pretence of a cultural value.

Whether it is a traditional culture value is irrelevant. Can anyone imagine if descendants of the Aztec or Mayan cultures came to Canada and wanted to revive the old cultural tradition of human sacrifice? How about the old tradition of 17th century North Americans of burning women suspected of being witches at the stake? Of course Canadians would never support such things. It is outrageous to even think about it, as is the ritualistic, violent sexual assault of little girls. Some cultural traditions deserve to be extinguished. This is one of them.

Bill C–277 is a good step in making sure this practice never gains a foothold in our country. By supporting Bill C–277 we send a message to those communities that still practise this terrible tradition that such acts will not be tolerated in Canada.

I am happy I do not share the guilt members opposite seem to be racked with when dealing with cross–cultural conflicts. I take pride in having this opportunity to denounce the barbaric act of female genital mutilation and I will stand with those members who support this legislation at second and third reading.

• (1110)

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I would like to begin by congratulating my colleague, the hon. member for Québec, for her courage and tenacity. Courage because she rose to demand new legislation on the practice of genital mutilation. Tenacity, because she continued to push for her bill despite a negative response from the Minister of Justice, since she was convinced that it was both appropriate and necessary.

I am therefore pleased to speak in this debate in support of Bill C–277, since I share the belief of my colleague and the large majority of women and men across Canada and in Quebec that the current legislation must be clarified and reinforced in order to protect women from these barbaric acts.

I share her conviction that the Minister of Justice's great sense of responsibility will lead him to concur that such a modification to the Criminal Code will be beneficial and to revise the decision he reached in April 1994.

The Minister of Justice's decision not to criminalize excision was based on two arguments: charges may be laid against those practising excision under the present provisions of the legislation, and the intent is to focus on prevention.

I feel that those two arguments are too weak to justify the decision not to make any changes to the Criminal Code. I have nothing against prevention and information, far from it; one cannot be against what is right, but as Machiavelli said many, many years ago, virtue alone has no effect on man unless it is reinforced by a degree of deterrence.

Prevention is fine, but above all specific legislation needs to be passed to prohibit the practice of mutilating the genitals of women and girls. After all, what is there to prevent after the harm has been done?

At present, the Criminal Code prohibits anyone from assaulting, causing bodily harm to, or killing another human being. The minister contends that these provisions are enough to prohibit all kinds of genital mutilation. I think not, because this legislation is too vague and does not deal specifically enough with excision. A person who performs or causes this kind of mutilation to be performed could use religious and particularly cultural arguments to justify this practice. Legislation such as the Canadian Multiculturalism Act and the Canadian Charter of Rights and Freedoms require that the various cultures be recognized and promoted.

It so happens that genital mutilation is a standard in many cultures, including Africa and Asia.

I do not think we all have to be lawyers to understand that the existing legislation is not as efficient as the minister would have us believe. Several provisions are likely to discourage a crown prosecutor from preferring charges or a judge from convicting to the full extent of the law in such instances, however few they may be.

Education and prevention are fine, but that is just not enough. Monitoring needs to be instituted to find, denounce and, more importantly, effectively punish offenders.

Action is required. Existing provisions do not prevent such acts from being committed. Also, one can seriously question the effectiveness of a prevention policy consisting merely of information. The only choice left is for the legislator to make a special law to unequivocally criminalize the practice of such mutilations.

Bill C–277 is not that complex. It does not call for a complete overhaul of the system. It is just a few lines long. And let me quote the proposed amendment to be added after section 244. It reads as follows:

> A person who:
>
> (*a*) excises or otherwise mutilates, in whole or in part, the labia majora, labia minora or clitoris of a female person; or
>
> (*b*) aids, abets, counsels or procures the performance by another person of any of the acts described in paragraph (*a*) is guilty of an indictable offence and liable to imprisonment for a term not exceeding five years.

• (1115)

That is all. Two small paragraphs. That is all we need to settle this matter once and for all. I do not understand why the minister is reluctant to pass a bill that is so short but that would reinforce the current Criminal Code and make it much more of a deterrent.

Allow me to speak of this issue in a little more detail. According to studies published in 1993–94, between 85 million and 114 million of the women alive at that time had undergone genital mutilation.

According to some figures, the number of genital mutilation cases has increased by 2 million a year in nearly 40 countries in Africa, Asia and the Middle East. These procedures are performed on girls aged 4 to 10 on average. That is appalling.

Although impressive, these figures do not say anything about the trauma experienced by these girls, most of whom are quite young. They do not say anything about the pain suffered both during and after these mutilations or on the health problems many of the victims will face for the rest of their lives.

Often performed in unsanitary conditions by people without any real medical knowledge, these mutilations can have many adverse consequences, including haemorrhages, incontinence, abscesses, infections, traumas, shock and infertility.

Those who perform these procedures use improperly sterilized tools, if not plain kitchen knives. According to a document from the Canadian Advisory Council on the Status of Women, sugar, eggs, thorns and palm ribs are also used.

Very painful and often performed without anaesthesia, these irreversible procedures often result in traumas as well as sexual and psychological complications for the victims.

I do not think I need to continue describing this practice to give members a good understanding of what we are dealing with.

This practice is clearly unacceptable and should never be condoned. We must also ensure that those who perform these procedures are severely punished. Unfortunately, as I pointed out earlier, current legal provisions do not have enough teeth to be 100 per cent effective. We must ensure that this practice is no longer used in our society. The current legislation does not achieve that goal; prevention alone is not enough. However, Bill C–277 would certainly do it.

We could talk for a long time about the benefits and the merits of such a bill. But what is important is to understand that, in a country that claims to be democratic, these religious, cultural or other traditions are indefensible and reprehensible. As a self respecting society claiming to protect its individual members, it is immoral to condone such shameful atrocities.

Yet, and unfortunately so, this is what the Minister of Justice did by rejecting the suggestion to amend the Criminal Code so as to explicitly prohibit excision.

Bill C–277, which was introduced by the hon. member for Québec, provides an opportunity to correct the situation, once and for all, in a simple and efficient manner. France, Great Britain and Sweden have already outlawed that practice, while Norway and several American states have strengthened their legislation to that effect. The time has come for us to take concrete action. It must be made clear to Canadians and those who come to our country that genital mutilation is not only unacceptable as a matter of principle, but also not accepted and severely punished, since it is in fact a crime.

• (1120)

[*English*]

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, it is my pleasure to address the House regarding Bill C–277, an act to amend the Criminal Code as it pertains to the genital mutilation of female persons, proposed by the hon. member for Québec.

The bill aims to make persons who perform female genital mutilation or who aid, abet, counsel or procure the performance by another person of female genital mutilation guilty of an indictable offence and liable to imprisonment for a term not exceeding five years.

I state from the outset my personal repulsion of this practice. It is without a doubt a practice which causes great harm. However, we must not allow our disgust with the practice to cloud our reasoning about the member's proposed bill as an effective means of addressing this problem.

As for the cultural practices in other lands it is out of our scope to dictate what should or should not be included in their criminal codes. Societies practising female genital mutilation will change their behaviour only on understanding that the intent behind their action can be achieved by other less harmful means.

Female genital mutilation is a practice which inflicts harm on an estimated 85 million to 115 million girls and women, with about two million girls being subjected to this ritual annually worldwide.

There is no doubt that the practice can prove very harmful to the health of a baby girl and eventually of the woman. There is an indisputable medical link between female genital mutilation and a myriad of short and long term health consequences. Some have already been mentioned such as severe haemorrhaging, shock, infections, infertility, urine retention, sexual dysfunction, difficulties with child birth and even death.

As I mentioned earlier, this well intentioned bill poses certain problems. The Minister of Justice indicated in March he was of the opinion that an amendment to the Criminal Code was not necessary at this time. The minister informed members of the House that there are those who are knowledgeably involved who believe amending the Criminal Code at this time could inadvertently drive the practice even further underground, and the government agrees. Instead the government prefers to engage in a comprehensive educational campaign which outlines the health risk of the procedure and the criminality of the practice.

All hon. members should be made aware the Criminal Code of Canada does have a provision which could cover those who practice female genital mutilation. Presently sections of the code which apply include assault causing bodily harm, section 267, unlawfully causing bodily harm, section 269, and aggravated assault, section 268, all of which are indictable offences with maximum sentences of between 10 and 14 years. Section 268 refers to the situation in which a person wounds, maims, disfigures or endangers the life of the complainant.

There are other sections of the Criminal Code which could be used to prosecute either the person performing the procedure or the parents for their part in arranging for it to be carried out. Also, a recent amendment to the code aims to address situations in which a Canadian resident is taken from the country with the purpose of committing an act against him or her which would ordinarily be an offence if committed in Canada. This section of the code provides for a maximum sentence of five years for an indictable offence.

Over and above existing Criminal Code provisions, the hon. member should know Ontario and Quebec have child protection laws which allow for a child to be taken into the custody of the province should reasonable suspicion exist that she may be subjected to female genital mutilation either in Canada or abroad. It is apparent that the Canadian Criminal Code already provides for the necessary measures to prosecute those persons perpetrating female genital mutilation.

• (1125)

Instead we must concentrate on educating the public but we must also educate the police, crown attorneys and the medical professions by informing them that female genital mutilation constitutes criminal behaviour and as such must be dealt with accordingly. We will work together and we must work together with the above stakeholders in order to ensure existing laws are enforced in this respect.

On the practice of female genital mutilation from a global perspective, I firmly believe we must not lose sight of the fact that denouncing the practice can make some of us feel better and self–righteous but certainly does not solve the problem worldwide.

The director general to the World Health Organization's global commission on women's health indicates that the purpose of the organization should not be to criticize and condemn; however, nor should we remain passive.

We know female genital mutilation is painful and can have dire health consequences. However, we must also take into account that human behaviours and cultural values, no matter how senseless or harmful they appear in light of our personal and cultural perspectives, do have a meaning for those who practice them.

The key is to convince people they can give up a certain practice without compromising the important ideals cherished by their cultures. Also instrumental is the need to impart on adherence of the practice the great health risk that can result from this diabolical practice.

Parents across the globe are similar in that ultimately they want what is in the best interests of their children. If they are presented with credible options, an alternative to female genital mutilation in a way that takes into account their own social, cultural and economic environments, we will then be able to find a global solution.

I thank the member for Quebec for bringing this crucial issue to the attention of the House.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, let me ask you this question: If the justice minister were a woman, do you not think that we would already have a bill amending the Criminal Code and explicitly prohibiting the genital mutilation of female persons?

Were it not for the initiative of the hon. member for Québec, women would still be waiting for a bill to protect the victims of such a barbaric and cruel practice. Genital mutilation of female persons is one of the most harmful forms of violence against young girls and it is a terrible violation of their fundamental right to physical integrity.

Just thinking of such an atrocity totally overwhelms me with horror and disgust and I must warn the Minister of Justice that he is likely to find the description I am about to give extremely disturbing. Perhaps after hearing it he will better understand the kind of butchery being practised throughout the world, including Canada and Quebec.

There are three forms of mutilation carried out. I will present them in order of degree. The first, removal of the prepuce of the clitoris; the second, excision, which involves removing the entire clitoris and often the adjacent portions of the labia minora; the third, infibulation, which involves excising the entire clitoris, the labia minora and a portion of the labia majora.

When infibulation is performed, both sides of the vulva are closed over the vagina, leaving a small opening for the passage of urine and menstrual blood. In infibulation, the vaginal orifice is closed either with thorns or catgut sutures. The gaping raw edges of the labia majora are held together until scar tissue forms, thus closing up the vagina except for a narrow orifice which is kept open with a small piece of wood or reed.

• (1130)

The child's legs are then bound together. The little girl is immobilized for several weeks or until the tissues have healed. To enable infibulated women to have sexual relations, it is necessary to open the orifice with an incision which is further enlarged when they give birth. Often they are sewn up again afterwards, at the husband's request.

There is none so deaf as those who will not hear. The Minister of Justice was definitely not listening when in December 1994, on the tragic anniversary of the massacre at the École Polytechnique, I and several of my colleagues emphatically condemned this odious practice.

This barbaric procedure has now been imported to Canada and Quebec. Our doctors are seeing an increasing number of young girls with health problems related to genital mutilation. It will soon be one year since we last discussed this in the House, and so far the Minister of Justice has done nothing to stop this practice. I hope that he will at least support the representations of my colleague, the hon. member for Québec, who has taken the trouble to table a bill prohibiting genital mutilation.

The Minister of Justice lately mentioned a series of bills tabled by his government to help victims, and the list goes: C–37, C–41, C–42 and C–45, and so forth. An impressive body of legislation, whose effectiveness remains to be seen.

The agenda of the Department of Justice is quite full. But I warn the minister that: "Grasp all, lose all". Some of the legislative measures are so far off the goal set by the government that we might be led to believe that the Minister of Justice has undertaken a Sisyphean task.

In November 1994, the Quebec Minister of Justice, Paul Bégin, demanded that his federal counterpart prohibit genital mutilation and amend the Criminal Code accordingly. Sweden, Belgium, Norway, the United Kingdom and some American states have already passed legislation prohibiting genital mutilation.

The Minister of Justice had the gall to answer that the sections of the Criminal Code dealing with assault were sufficient to condemn a person guilty of practising excision. Genital mutilation is much more than just assault, it is torture, butchery and an unqualifiable violation of a human person.

The House managed to pass, on the double, a bill to protect victims and facilitate the arrest of the guilty parties. Thanks to the support of the official opposition, Bill C–104 on DNA passed through all stages on the same day, June 22 of this year. The Minister of Justice is always willing to play Lancelot when he knows that a bill will get unanimous support. It is easy to preach for virtue. It is something else to make political hay out of it.

Where is the fearless Lancelot in today's debate? He is dragging his feet, he is consulting. Last summer our Don Quixote of public security thought that it would be useful to organize an information session on mutilation of women's genital organs for interested members. Guests of the Minister of Justice were Eunadie Johnson and Fadumo Dirie, cochairpersons of the Ontario task force on the prevention of genital mutilation of female persons.

The minister expected that Mrs. Johnson and Mrs. Dirie would concur with his views on the risk of unilateral legislation dealing specifically with genital mutilation. He was reluctant to introduce a bill because he thought such an action would push that practice further underground.

But, lo and behold, both guests answered yes to the question of whether a specific piece of legislation would send a clear message to communities which practise mutilation. A criminal code amendment would demonstrate that our society considers that practice unacceptable and that if it is deemed acceptable in other countries, it is not so in Canada or in Quebec.

After the meeting, the Minister of Justice admitted he was not so sure any more about his position. Today, the bill before the House is not a government bill, but a bill introduced by one of my Bloc Quebecois colleagues. That speaks for itself. On this side of the House, we dare to act according to our beliefs. I urged the Minister of Justice to at least support the bill presented by the hon. member for Québec, if he did not have the courage to introduce an amendment to the Criminal Code.

I request the same thing from all members. We should rise above partisanship and indeed walk the talk as we began to do some time ago with private members' bills.

The Acting Speaker (Mr. Kilger): Is it the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to, bill read the second time and referred to a committee.)

[*English*]

SUSPENSION OF SITTING

Mr. Milliken: Mr. Speaker, on a point of order, I think you would find unanimous consent to suspend the sitting until twelve o'clock.

The Acting Speaker (Mr. Kilger): Is there unanimous consent to suspend the House until twelve o'clock?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.37 a.m.)

SITTING RESUMED

The House resumed at 12 p.m.

GOVERNMENT ORDERS

[*Translation*]

CANADA TRANSPORTATION ACT

On the Order:

June 20, 1995—The Minister of Transport—Second reading and reference to the Standing Committee on Transport of Bill C–101, An Act to continue the National Transportation Agency as the Canadian Transportation Agency, to consolidate and revise the National Transportation Act, 1987 and the Railway Act and to amend or repeal other Acts as a consequence.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I move:

That Bill C–101, An Act to continue the National Transportation Agency as the Canadian Transportation Agency, to consolidate and revise the National Transportation Act, 1987 and the Railway Act and to amend or repeal other Acts as a consequence, be referred forthwith to the Standing Committee on Transport.

[*English*]

The Acting Speaker (Mr. Kilger): Before I recognize the hon. Minister of Transport to begin this debate I remind the House that under this standing order, members, including the minister, will have 10 minutes to make their interventions without questions or comments.

[*Translation*]

Mr. Young: Mr. Speaker, the government's vision for the future of transportation is clear and attainable. Our commitment is to take Canadian transportation into the 21st century on a more viable, integrated and competitive footing.

We are commercializing federal airports, the air navigation system, Canadian National Railways, Marine Atlantic and the department's Motor Vehicle Test Centre.

We have introduced a new international air transportation policy and concluded a landmark Canada/U.S. bilateral air services agreement opening up the skies with our biggest trading partner.

The government will unveil this fall details of the new national marine and ports policy. This policy will set the stage for a more efficient, competitive and fiscally prudent marine transportation and port system and eliminate subsidies except where constitutional obligations require us to continue to pay for services.

We have already eliminated most transportation subsidies and greatly reduced the financial burden of Canadian taxpayers.

On June 20, we introduced Bill C–101, to enact a new Canada Transportation Act. The reason for introducing this legislation last spring was to encourage meaningful dialogue between industry and the government. We have had extensive consultation with CN and CP, other railway companies, shippers, and representatives of other transportation modes.

We have considered reports by the Standing Committee on Transport and, most recently, the recommandations of Task Force on Commercialization led by Mr. Nault, the member for Kenora—Rainy River, now the Parliamentary Secretary for the Minister of Labour.

The rail elements of the legislative package complement our strategy to commercialize CN, but they are far broader than that initiative. They are about enhancing the long term viability of the entire Canadian rail industry. This bill will affect the operations of CN, CP and some 30 other railways that currently operate in Canada, and it will also benefit shippers.

[*English*]

Some shippers expect levels of rail service to be dictated by law rather than by the significant negotiating leverage they have in the market. They talk about competition but they insist on regulatory protection.

The extraordinary rights shippers had won through the National Transportation Act of 1987, the so–called competitive access rights, are retained. The NTA 1987 included the right to have rail rates regulated under certain conditions. It also included the right to final offer arbitration for a wide variety of disputes between shippers and the railways. This protectionism has benefited Canadian shippers and there has been a reduction in rail freight prices but there has also been a substantial erosion of CN and CP revenues.

Bill C–101 takes aim at regulatory red tape by shortening the length of the arbitration process by one–third, from 90 to 60 days. The bill extends competitive access rights to shippers located on any federally regulated rail line sold to a provincially based rail operator. U.S. shippers in the United States do not enjoy similar provisions.

While we have protected shipper rights we have made amendments to give more precise direction to the regulatory agency in its decision making process. The government's view is that regulated solutions should only be a last resort.

A shipper demand with which we did not agree was for the provision of mandatory running rights for provincially regulated railways. Unlimited running rights would undermine a major objective of the bill which is to foster the growth of a vigorous short line industry across Canada.

• (1205)

Every short line operator in Canada stated that unrestricted running rights were undesirable with the exception of one operator. In the United States, where unrestricted running rights are not available, a thriving short line industry has developed based solely on commercial agreements. There are hundreds of voluntary running right agreements now in effect in Canada, letting the marketplace decide.

The Canadian Pulp and Paper Association, the Western Canadian Shippers Coalition, the Canadian Industrial Transportation League and the Canadian Manufacturers Association have all been lobbying hard against certain elements of Bill C–101. Apparently they believe in competition based on protectionism, an interesting approach for the CMA which in the past aggressively supported open, competitive free markets.

Bill C–101 will modernize and streamline rail regulation to enhance the viability of our major carriers and thereby attempt to ensure rail freight service from coast to coast. Both CN and CP will benefit from a new, transparent, well defined rationalization process that focuses on the sale of underused lines to other operators. The process will be free of archaic, adversarial and lengthy regulatory proceedings and government interference.

Shippers should benefit from more efficient, lower cost rail service and the entry of new participants in the railroad industry. The legislative package will clean up outdated regulations. It will reduce the number of matters which need to be brought to the agency by the railways by about 200 to some 40. For example, 10,000 confidential contracts per year will no longer need to be filed with the agency. This should reduce railways' administrative costs. It will help attract capital back to an industry that has suffered during the economic downturn by shippers to other transportation modes, particularly trucks.

Some provincial legislatures, B.C. and Nova Scotia among others, have recently passed legislation which significantly reduces provincial taxation on railways. The New Brunswick government has put in place a very simple mechanism for the establishment of a provincial short line requiring only an agreement between the transportation minister and the perspective railway.

The Ontario government has indicated its willingness to encourage the creation of short lines by repealing current statutory provisions that have so far discouraged short line operators setting up in that province.

Bill C–101 also removes unnecessary regulation of other transport modes. In future applicants to operate Canadian air services will have to meet minimum financial requirements as well as our stringent safety requirements before they can obtain a licence.

[*Translation*]

In the wake of deregulation of other modes, access to final offer arbitration has been extended to our northern marine shippers and operators of rail passenger and commuter rail services who must negotiate with mainline carriers for track usage and other services.

The new legislation will put in place a policy that is consistent, transparent and fair and will enhance competition. Canada's transportation system must be modern, dynamic and as unrestricted as possible while maintaining the world class safety record we have earned over the years.

I ask members of all parties to join with me and support the motion to refer Bill C–101 to the Standing Committee on Transport before second reading. This will give the committee an early opportunity to study the bill with its usual care and diligence.

The proposed Canada Transportation Act is one more step this government is taking towards modernizing Canada's transportation sector. It will enable Canada and Canadian businesses to compete worldwide in the 21st century.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I am pleased to speak on Bill C–101, whose primary objective is to modernize rail transportation legislation, redefine the mandate of the National Transportation Agency and further deregulate air transportation.

As we estimate that nearly 75 per cent of this bill concerns rail transportation, you will understand this important subject will be the focus of our intervention.

• (1210)

For that reason, as far as the Bloc Quebecois is concerned, Bill C–101 will need definite improvements. I can assure the minister that it will be possible to work much more effectively if there is some kind of openness on the part of his colleagues on the Standing Committee on Transport—and I am talking here about his colleagues representing the Liberal majority.

One of the first points that has to be criticized is clause 89, which says that the bill applies to any railway, whether or not set up under the authority of an Act of Parliament, that is "owned, controlled, leased or operated by a company wholly or partly within legislative authority of Parliament".

This means that Bill C–101 applies to any SLR, which stands for short line railway, owned or controlled by a national railway, whether it be CN or CP. We recently saw an example of a short line controlled by CN in the La Tuque, Abitibi and Saguenay–Lac–Saint–Jean area.

Moreover, these railways are declared to be works for the general benefit of Canada. You will understand that, in the current referendum debate, our party will want to change that all–encompassing approach which includes everything that can be for the general benefit of Canada.

We will also ask for clarifications about clause 90, which authorizes Parliament to pass legislation declaring any railway owned by a company registered under a federal or provincial statute to be a work for the general benefit of Canada. In these circumstances, provincial railway acts, like the one we have in Quebec, no longer apply and the company is regulated by the federal government. I am sure you realize this is totally unacceptable to us.

Moreover, in clause 99, the agency is not required to conduct an environmental study before authorizing the construction of a railway line. Again, Quebec is on the leading edge as far as the environment is concerned. Therefore, we will have to obtain amendments to clause 99.

Clause 104 of the bill says that if an owner's land is divided as a result of the construction of a railway line, the owner must pay for the construction and maintenance of a crossing. We think this is ridiculous. Why would the owner of the land have to pay when it is the railway company that is using the land? The railway company should pay.

Clause 113 provides that rates and conditions of service established by the agency must be commercially fair and reasonable. We think that this provision is there to please railway companies which often have had to buy equipment to service a client without benefitting from a contract that was long enough to allow the company to write off the cost of such equipment.

The list could go on but, since this is only a ten minute speech, I would not have enough time to say all I want to say in this, my first speech since the House reconvened in September.

Bill C–101 will have an effect on Quebec with regard to the new process for transferring or discontinuing the operation of a railway line. I have had the opportunity before to say in this House that the abandonment of railway lines used to be almost automatically approved by the National Transportation Agency. Now, the company will have to demonstrate that it took all the necessary measures to offer the railway line on the market and if nobody is interested—We see the beginning of a solution, but it will have to be improved on.

Of course, we received, from many shippers, requests for clarification of this legislation or for changes to it, in particular, in relation to the introduction of running rights for short line railways, provided that reciprocity not be given to main railway carriers.

I therefore open the door to shippers for an alliance with our party, the Bloc Quebecois. They will have an opportunity to defend their views in the Standing Committee on Transport.

• (1215)

I would like, of course, to conclude my remarks by referring to the referendum. It goes without saying that when Quebec has full power, it will not have to rely on a national transportation agency staffed with friends of the party in power. Even though the composition of the National Transportation Agency has been reduced from nine members to three, we are still caught in the same vicious circle of having to deal with friends of the government.

I do not want to be disrespectful to Mr. Rivard, a very competent lawyer from Quebec City who was appointed by the Conservatives, but I can predict today, October 2, that Mr. Rivard's mandate on the National Transportation Agency will probably not be renewed and that we will see, as was the case with the members of the Port of Quebec's board of directors, some good friends of the government, some Liberals of good standing, appointed to head the National Transportation Agency.

So this is just shifting the problem. Our party will of course keep on denouncing such partisan appointments.

Mr. Nunez: Patronage.

Mr. Guimond: Such patronage. I thank my hon. colleague for Bourassa for suggesting the word patronage. So, the only way out is sovereignty, otherwise Quebec will remain a rebellious minority within the Canadian federation, constantly waiting with the no side for a no which would mean a yes, and vice versa. I do not know what, nor when nor where. If not Quebec, finally in touch with its identity and its potential, will become a country.

There are in fact two countries: yours, Canada, and ours, Quebec. There really are two countries north of the 45th parallel: one which is frantically searching for its identity—Canada—and the other, which can and should no longer deny itself—Quebec. Yes, in order to reach its full potential, Quebec must be sovereign. Quebec deserves to be sovereign because it is made up of a people that must not only survive, but grow.

Saying no means denying us the means to develop in the way we want to. It means continuing to mortgage what we have, and continuing to complain. By saying yes, we will make others respect us and we will stop being crushed. Just like so many other Quebec ridings, Beauport—Montmorency—Orléans will say: "Yes, we are ready and we will win".

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, when Bill C–89 was in committee I was told by the government's underwriters, Nesbitt Burns, Scotia McLeod and Goldman Sachs, that CN Rail had an accumulated debt of approximately $2.5 billion and that in order for CN to achieve an investment grade bond rating of BBB it would have to reduce its debt load to $1.5 billion.

They then went on to explain that CN had excess cash reserves of $300 million to $400 million as a result of recent subsidiary company sales and actual cash reserves, plus $400 million to $600 million in non–rail real estate assets. At the upper end of these figures was the amount by which the underwriters were telling us the debt had to be reduced. The lower value of these figures indicated that the government might be faced with a cost of up to $300 million in order to reach the debt reduction target that was stable.

It was the stated plan of the government to purchase CN's non–rail real estate assets. In response to my question on how the value would be set, government officials who also appeared before the committee testified that a full appraisal would be completed and that would set the price the taxpayers had to pay to purchase the assets from the company which they already owned.

The wording of the debt reduction clause in Bill C–89 concerned me in that it allowed the Minister of Transport to reduce CN's debt by any amount he chose. I attempted to have the legislation amended to tighten this arbitrary power of the minister but the amendment was defeated.

On May 17, 1995 I wrote to the minister requesting answers to a number of questions which were not clearly answered by the minister in committee. One of the most important questions was the amount of money the minister was to give to CN to reduce its debt. In his response the minister stated: "The government will undertake only the minimum, if any, debt reduction necessary to facilitate an investment grade rating of CN's debt".

• (1220)

My concerns about the minister's real debt reduction plans were well founded. On August 28, 1995 the government announced that it would be injecting $1.4 billion into CN Rail to reduce its debt. This amount includes a $500 million payment for real estate assets with a book value of $235 million and no appraisals to the contrary forthcoming.

The government pushed Bill C–89 through the House and into committee after first reading. I supported this with the understanding this was meant to make it easier to examine and amend the bill in committee where it is theoretically less partisan. This turned out not to be the case.

I presented many amendments, none of which was accepted in spite of little argument against them. One of my amendments dealing with Atlantic Canada did have the support of one Liberal on the committee but was defeated by a tie breaking vote by the committee chairman.

Given the lack of co–operation that we were led to believe this procedure of sending legislation to committee after first reading would provide, coupled with the deception that took place on the debt reduction, I would be very reluctant to trust Liberal intentions on transport issues in the future.

When Bill C–101 was first proposed I was approached by the parliamentary secretary to the minister seeking my co–operation in not only sending it to committee after first reading, but reducing the first reading debate time to one hour. At that point I had not yet received a copy of the bill nor was I aware of its contents. He informed me that it was not available yet but it was fairly straightforward and simple, essentially nothing more than enabling legislation allowing necessary changes to occur on an as needed basis. We now all know that Bill C–101 is a massive piece of legislation with major ramifications for both the rail and shipping industries.

It seems that this deception also continued into the summer. In a telephone conversation with the chair of the Standing Committee on Transport, I agreed to request submissions from interested parties over the summer as long as it did not restrict anyone's access to testifying before the committee in the fall. I was assured it would not and that the intent was only to allow us

to obtain some of the material during the summer instead of having it all bunched together when we returned in September.

Subsequent to this, several affected groups complained to me about the tight timetable for getting their submissions to the committee. I obtained a copy of the notice sent out from the transport committee under the signature of the chair advising that if they wished to appear before the standing committee regarding Bill C–101 they must send in 25 copies of their submissions to the committee not later than August 31.

At the end of August I sent the following fax to the committee chair:

> It has recently been brought to my attention that the notice sent out to interested parties regarding Bill C–101 is written in such a way that has caused many of them to believe that August 31 is a cut off after which we will not accept any submissions. It also implies that if they do not submit a written submission within that time frame, they will not be allowed to appear before the standing committee on this issue.
>
> Neither of these positions were agreed to by myself either as a regular committee member representing the Reform Party or as a member of the transport steering committee. You and I discussed early submissions by telephone and I agreed that it was not a bad idea to request early submissions to be made so that we might be able to review some of them during the summer. As it has turned out, if any such submissions were made, I have not received a copy of them. When I gave my agreement to this early start, it was with the clear understanding that this early submission request would not impede any party's right to appear before the committee.
>
> I trust that this is a misunderstanding on the part of concerned parties and anyone wishing to appear before the committee and/or provide written submission may still do so. After all, we are attempting to determine all the facts and concerns available. Surely, we will not do anything to impede this information gathering process.

The reaction I received from the chair's office is interesting. Through follow up inquiries my office was informed by an assistant in the chair's office that they were preparing a response to my letter which I finally received on September 26.

Verbally and later in writing we have been informed that there has been a tremendous response which makes me curious why these were not forwarded to me as a committee member. I did receive a huge stack of submissions when Parliament reconvened, the very situation summer submissions were meant to avoid.

We have also been told that all stakeholders interested in appearing before the committee are welcome and not subject to a deadline. They advised that 800 letters were sent out, too many for a second letter to retract the false message that had been received and it was up to us to notify any parties concerned with the previously stated deadline and tell them it was not in effect.

As far as the bill is concerned it is long past the time that Canada's archaic rail legislation was revisited. To continue with the existing legislation is simply to ensure economic failure which will affect rail companies and shippers alike. We must move quickly to a market driven competitive system able to compete with the U.S. companies unencumbered by restrictive and uneconomical government regulations.

• (1225)

In the late 1970s the American rail industry was suffering from many of the same problems currently faced by the Canadian rail companies. In 1980 the U.S. Congress passed the Staggers act which deregulated the industry. Since that time the American rail industry has prospered.

Bill C–101 is a half Staggers bill which addresses some parts of the need to simplify rail line abandonment but does not address many of the other necessary components for rail industry prosperity with proper consideration for shipper needs.

The rail industry is quick to point out that we cannot compare ourselves directly to the United States because of differing taxation and labour laws. While that is not incorrect, our approach would be to harmonize these differences instead of bowing to them as unsolvable and tinkering with our problems instead of dealing with them head on.

Rail transportation is essential to get Canadian goods to their markets and to get supplies and materials to Canadian companies. Likewise, economic survival of these same Canadian companies is essential to the rail companies.

Many years ago I remember seeing a cartoon dealing with nuclear war. A single picture showed the president of Russia and the president of the United States both with their heads in guillotines each holding the release rope of the other. If either of them released the rope the blade would fall which would cause the other to release his rope in the ultimate no win situation. That is similar to what would happen in Bill C–101 if the legislation does not consider both sides fairly and pushes them into hard adversarial roles.

Shippers' products must be able to compete internationally with those of their competitors from the United States. A significant component in their cost structure is transportation. If their cost component for transportation is substantially higher than that of their American competitors, shippers are operating under a severe handicap. The potential is that these shippers will use the American shipping system affecting the Canadian economy through job losses not only in the rail sector but at Canadian ports as well, moving their operations to the United States, or folding their operations if they are unable to market their products at a profit.

The first thing the bill should examine is the reduction or removal of unreasonable cost factors to rail companies. This includes such items as federal fuel taxes, lengthy capital cost allowance terms, application and renewal fees and cabinet authority on rail line abandonment.

We must also address problems at the provincial level. Provincial fuel and property taxation as well as labour legislation impact on the competitiveness of federal rail lines and their ability to divest themselves of low density lines without loss of that rail infrastructure. This issue will not be resolved by ignoring it.

The other main problem with the bill is the lack of a clear sense of direction. The ultimate goal of rail deregulation is to establish a market driven and market regulated industry which can compete with the United States. I recognize this may be a huge single step but Bill C–101 not only fails to allow the market to be the final arbiter over price decisions, it also attempts to block access to the present arbiter through clauses like 27(2) and 34(1).

I could provide much more detail on the deficiencies of this bill and solutions for the problems faced by both the rail industry and Canadian shippers, but the action of the Liberal government to eliminate second reading debate severely restricts the amount of time available.

Be assured I will deal with these solutions in detail at committee hearings and I will ensure that all interested parties have the opportunity to bring their concerns before their elected representatives. I call on the Liberal members to co–operate with this process and agree to deal with the needs of the Canadian transportation industry instead of their own partisan agenda.

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, let me assure the hon. Reform Party critic that it is the intention of the government and the committee to get some positive and constructive comments from the Reform members who seem to always criticize and have absolutely nothing good to say about anything.

I rise today to lend my support for Bill C–101 and the Minister of Transport's motion to refer Bill C–101 to the Standing Committee on Transport before second reading.

This is an important bill. Transportation touches all our daily lives and has far reaching ramifications in today's business world. The government is advancing a comprehensive program and a vision to overhaul the large unwieldy framework of regulations, outright ownership and specific involvement in transportation particularly as it pertains to rail. While the bill deals with all modes, there is no doubt that the most talked about provisions deal with the rail industry, so I will address myself to that aspect in particular in these remarks.

In this regard I see the 30 or so railways now operating in this country as being at a critical juncture. CN and CP are two mainline carriers that dominate the rail freight sector and have, as have other railways, managed to weather the recent economic downturn.

• (1230)

CN and CP have done this by introducing new marketing initiatives and operations more closely tailored to the 25,000 shippers they serve. They have also expanded intermodal links with the trucking industry and have implemented new technology and operating methods.

Stringent cost cutting measures have been taken and since 1983 CN and CP have abandoned 20 per cent of their rail lines. Total employment has decreased by 40 per cent.

To move into the 21st century, however, I believe CN and CP must further adjust to changing trends, increased competition and the need to reduce costs. CN and CP cost cutting efforts have been stifled by the regulatory hurdles they must jump in order to tailor their rail line networks to their core markets. While the Minister of Transport has made reference to the proposed rail line rationalization process, I will build on his comments.

Like shippers' rights, rail line rationalization can be controversial. I will first set the issue in the context of the current rail environment. The main line rail network is vastly over built. Even after efforts by both railways in recent years to reduce trackage, 84 per cent of CN and CP traffic travels on one–third of the network.

The adversarial nature and the length of the process can deter the sale of underutilized lines to short lines and some say can lead to the downgrading of a marginal line on purpose. A line must be uneconomic or near so for abandonment to proceed. It is the creation of short lines that we wish to foster in the legislation now before us.

The process for sale of a rail line under current legislation can be long and drawn out. In one instance the owner and the potential purchaser had agreed to the sale, in other words the continuance of a line, but under the existing NTA process with its convoluted regulatory approvals the prerequisite abandonment proceedings took two years with a cost of $10 million per year to CP before the sale could be finalized.

In the U.S. the sale of a line, not an abandonment, to another operator can be accomplished in as little as seven days. Purchasers are required only to prove public need and that they have the financial capability to purchase and operate the line.

The most important means by which the federal government can help our rail carriers to reduce their cost is through regulatory reform, and that is what we intend to do.

The new proposed Bill C–101 will do this and will focus on the encouraging of the sale of rail lines to other rail operators. The process will require a railway to set out for all interested parties its intention for its network in a three–year rolling plan.

The owner railway will not be allowed to abandon a line unless it has made every effort to negotiate the sale of the line for rail purposes. The negotiating phase has a finite limit of seven months. This phase could take as little as two months if there is clearly no buyer interest.

If no private sector buyer comes forward, governments at each level will in turn have 15 days to exercise an option to buy for public purposes. They will have had ample notice of the possibility through the plan at the start of the whole process.

No abandonment of a rail line will take place unless no one, neither the private sector nor governments, is interested in acquiring that line.

The process advanced in Bill C–101 is not as radical as that adopted in the United States but is instead a made in Canada approach that gives every interested party ample opportunity to acquire the line. It allows CN and CP to rationalize their track within a specified time frame. It allows for a more planned approach to the future of the Canadian rail system, which will be a benefit to the railways, shippers and communities alike. It also promotes the creation of a short line industry which will benefit all and which is key to keeping the most extensive network possible.

The experience in the United States under its deregulated environment has shown the high potential for rail lines to be acquired by short lines, providing hundreds of jobs.

Today there are over 500 short lines in the U.S., of which 263 were created since 1980. Conversely, there are only 12 Canadian short lines in operation. I believe under our proposed new regulatory process many more will emerge. Short line railways typically operate under a less burdensome cost structure than the main line railways and pass much of the savings on to their customers.

• (1235)

In addition, through more focused marketing and closer tailoring of services to customer needs, short lines can both recover traffic previously lost by the main line railway and generate traffic that was not previously present.

It is in the interest of main line carriers to sell to other railways rather than to abandon. The main lines get both the proceeds from the sale and a new partner that can act as both a generator and a feeder of traffic.

The proposed legislation not only eases exit but makes getting into the railway business less onerous. In future all railways under federal jurisdiction will simply require a certificate of fitness to either operate or perhaps even to construct a railway. Shippers and railways agree this is a significant improvement over the process now in place.

While no one can guarantee continued rail service in every corner of the country, the law will create the right environment so that wherever possible service should be maintained it will be maintained.

Rail is the only mode of transportation in Canada whose business decisions can be easily and often delayed, varied and sometimes even reversed by public authorities. Everything from sales to bookkeeping is subject to regulatory permission, sanction or appeal, with some regulations dating back to the turn of the century.

Under the proposed legislation, treatment of the rail freight industry will be brought more in line with other Canadian transportation businesses and U.S. rail counterparts, thereby enhancing competitiveness.

Transportation has historically been highly and intricately regulated. I was amazed at the mass of the build up on the economic side. For rail alone it filled over 1,000 pages of statutes spread over eight different acts.

With the passage of Bill C–101 we have the opportunity to help our railways, large and small, and ultimately their customers in their efforts to improve competitiveness.

Under the proposed amendment to the Transport Act, regulation of non–safety matters will be condensed into just over 100 pages. This reduction in volume alone will make the regulatory burden less onerous and costly, fostering a more commercially oriented basis for the provision of rail service. It will also make the legislation governing transportation much more logical and understandable.

I hope I have not given the impression that the bill is good only for the railways. On reflection I believe listeners will recognize that what I have outlined for the railways can easily be seen to benefit shippers as well. Once the railways have their house in order, the benefits will surely flow to their customers.

The Minister of Transport has made it clear that the bill preserves key rights now enjoyed by the shippers. A balance between the needs of shippers and railways must be found or our railways will continue to suffer. That outcome ultimately will not serve their customers either.

The sweeping nature of the regulatory housecleaning for all transportation modes will necessarily have an effect on the National Transportation Agency. The proposed legislation defines a streamlined and more focused regulatory body and renames it the Canadian Transportation Agency. Its role and powers will be clarified and brought into line with the reform of rail regulation and changes to the other transportation modes.

In future the agency will concentrate on core quasi–judicial and administrative functions such as the issuing of licences and the setting of regulated rail rates. Regulation is always a poor substitute for market discipline. We need regulation only when there are no practical transportation alternatives.

The federal government is aggressively examining the way it does business on all fronts. It is regulating only where needed and leaving the private sector to activities it can do better and at less cost to taxpayers. Regulatory reform in the transportation sector is one very important part of all these efforts.

[*Translation*]

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Mr. Speaker, it is said that the road to hell is paved with good intentions, and the same goes for Bill C–101, which revises the National Transportation Act, especially with regard to rail transport. It is this issue that I will address.

The intention announced by the government in this bill is a good one. In a nutshell, its purpose is to modernize, streamline and deregulate. No one can criticize this, as no one is against virtue. Unfortunately, as is its habit, the government could not resist its usual temptation, which is to encroach on provincial jurisdiction, with an added bonus in that this bill significantly increases its opportunities to engage in patronage.

• (1240)

Plain common sense and efficiency concerns should have led lawmakers to split the rail network clearly and willingly without exception between national railways under federal jurisdiction and intraprovincial railways under provincial jurisdiction. But this would have been too simple, too logical. And how could they resist grabbing a few more powers that should normally come under provincial jurisdiction? That is just unthinkable.

Under this bill, intraprovincial and other short line railways in which national railways have an interest will come under federal jurisdiction. In addition, Ottawa will still have the right to place any short line railway under federal jurisdiction.

Therefore, depending on where their capital comes from and on Ottawa's wishes, intraprovincial short lines will come under two different jurisdictions. How logical can you get?

Clauses 140 through 146 dealing with the abandonment and sale of railway lines could, in return for some improvements, facilitate the establishment of more short line railways, which should revive our dying rail network. From now on—and this is great—, rail companies will have to prepare three year plans specifying which lines they intend to continue operating, which they intend to sell, and which they wish to abandon. When this provision is fully in effect, short line railway companies will be able to determine which lines they are interested in and to plan accordingly. It seems, however, unrealistic to hope that these plans will be of any use for 1996.

Another thing: some of the deadlines set for potential buyers to make up their minds are surprisingly short. If no private buyer is interested, the company must offer the railway line to the governments. Do you know how many days public authorities will have to make a decision? Exactly fifteen days. This is totally unrealistic.

Finally, it means no more public hearings, where people could explain why a specific line should be kept in service for the benefit of the public, and should therefore be bought by a government, when there is no interested private buyer, given the market conditions. Indeed, how will public authorities have the time to hold hearings and consult the public before making a decision, if they only have 15 days, not to mention the fact that people will also not have time to prepare submissions?

Obviously, the federal government could not care less about the development of those regions which could be affected by the foreseeable reduction in railway services.

I said at the beginning that Bill C–101 provides interesting opportunities for lobbyists and those who rely on patronage. The National Transportation Agency, which will now be called the Canadian Transportation Agency, currently includes nine permanent members and must provide national representation. Under Bill C–101, the agency will only consist of three members and will not have to ensure national representation. The reduction in the number of members will obviously make it easier to lobby and to exert political pressure. I am not making accusations, I am just stating the obvious.

Let me summarize my position. I criticize Bill C–101 for a number of reasons. One is the fact that intraprovincial short line railways are not clearly and unhesitatingly left under provincial jurisdiction. There is also the lack of provisions to truly promote the establishment of regional railways and thus help put the rail transport industry back on track. Another flaw is the fact that, for all intents and purposes, public hearings are excluded, since the unrealistic short time frame given to public authorities to decide whether or not to buy does not allow them to hold such hearings. Finally, there is the composition of the new Canadian Transportation Agency.

These are the four aspects which we will try to improve on through our amendments in committee.

In conclusion, the time had certainly come to streamline the railway legislation and to reduce the responsibilities of the agency. However, the priority given to unstated political motives, over the rational objectives stated, once again results in the government partly missing the target. My colleague, the hon. member for Beauport—Montmorency—Orléans, and myself will propose, in committee, amendments designed to put this exceedingly political legislation back on track.

• (1245)

I am most willing, however, to admit that I should be thanking the Minister of Transport instead of criticizing him. Thanking him, yes, for providing new evidence that under the federal system Quebec has no hope whatsoever of one day seeing an end to the subordination of the logic of public interest to political interests. This will be possible only in a sovereign Quebec.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, it is an honour and a privilege to enter the debate on Bill C–101, a rather large omnibus bill.

I was interested to hear the hon. parliamentary secretary suggest that it was a straightforward, simple and small bill. This is not a small bill. It has at least 120 pages and it is a rather far reaching and overarching bill that covers the three modes of transportation in Canada.

The bill makes some progress toward levelling the playing field, especially in the railway sector with the United States. It makes it easier to abandon some short rail lines, which is an important issue. It also makes it easier to establish short lines under provincial control.

There are some positive developments taking place in the legislation that we need to recognize. However it seems the chief purpose of the bill is not so much to enhance the investor interest in the particular railways but rather to facilitate the selling of CN Rail or the privatization of the Canadian National Railway.

The bill continues to treat railways as a service rather than as a business. The bill is clearly not about rail renewal. Canada remains 15 years behind the American system. Instead of levelling the playing field for the U.S., the federal government has chosen to deregulate in a piecemeal fashion rather than in a consistent, logical pattern.

Bill C–101 fails to ensure true competition between the railways. The competitive line rates and final offer arbitration provisions only highlight an artificial competition that benefits neither shippers nor the railways in the long run. Under both these options the ultimate arbiter of freight prices is the National Transportation Agency rather than the marketplace.

In other words, competitive line rates and final offer arbitration are actually a hidden form of price regulation or managed competition. The bill has no guaranteed access provision or even study regarding the rail infrastructure in terms of further development and competitiveness in the industry.

In spite of these sorts of statements the whole business of transportation and shippers needs to recognize they need each other to sustain the economy that is there. The railway business exists to support shippers and shippers need the railway to send their materials and products to market. Each needs the other to be successful.

Let me list a couple of the major shippers that use the railway system rather extensively. I refer in particular to the Western Canadian Shippers' Coalition, which includes companies like Agrium Inc., Alberta Forest Products Association, the Canadian Oilseed Processsors Association, Canpotex Limited, the Council of Forest Industries, Luscar Ltd., Manalta Coal Ltd., Novacor Chemicals Ltd., Potash Corporation of Saskatchewan, Sherrit Inc. and Sultran Limited. These companies are significant customers of the Canadian railroad system. The products shipped tend to be bulk in nature and must travel substantial distances to distant markets.

For many products highway transport does not present an effective, competitive alternative to rail transportation and water transport is not a practical alternative. Hence for the majority of the transportation requirements of industries like the ones named the only economical way of accessing the markets is through the railway.

There is a need for the railroad system to be reformed. There is excess track. There are impediments to the productivity improvements and there are too many threats to the profitability and long term viability of the railroads.

We must admit there have been improvements in the last couple of years in the productivity of railways and the net revenues of both CN and CP have increased. These rationalizations, however, should not jeopardize the benefits of competition in the railway industry. I will refer to that in just a moment.

• (1250)

In the meantime we need to indicate as well that the Canadian railway system is not like the American system. The American system has many more railroads, to begin with. The distances to market are shorter. They have an extensively developed highway system and inland water routes. Therefore it is not valid to argue that Canada should have a regulatory system directly comparable to that of the United States.

We should recognize that rails are not like the trucking industry. Trucking regulations restrict vehicles by the availability of trucking services and limit shippers' freedom of choice. Accordingly the deregulation of major carriers has a pro–competitive result. We should also recognize that the capitalization required in that area is not nearly as great as it is in the railway business.

Railway regulation protects captive shippers against the excessive monopoly power of the railway. Herein lies the crux of the issue. The imposition of statutory provisions which limit or deter accessibility to the competitive access provision will be

anti–competitive by permitting the railroads to more rapidly and more extensively exploit their monopoly power.

We come back to the business of competitiveness. Are the railroads competitive? The conclusion of the group of industries we referred to before is:

> It has become apparent to railway customers during the past eight years that Canada's railways have refused to compete for rail traffic which would become available by virtue of a customer's utilization of the competitive line rate provisions.

Page 131 of the National Transportation Act Review Commission report states:

> CN and CP Rail have effectively declined to compete with each other through CLRs and as a result the provision is largely inoperative in Canada.

It is suggested that the failure of railways to compete through CLRs should now be shifted and, rather than be treated under the Transport Act, should now become subject to the provisions of the Competition Act.

There is a provision in Bill C–101 that there be an appeal to the National Transportation Agency. However shippers will have to prove that they suffer from significant prejudice. It is interesting that significant prejudice is not defined. Neither is suffering.

If this phrase is not defined in the bill it lends itself to all kinds of problems. First, it is difficult for shippers to be able to prove what is happening. Second, because that is difficult there will be a defence and the result will be extensive litigation proceedings that mitigate against the expeditious and objective determination of relief. That is precisely what is needed to get this business going and to get the economy rolling along smoothly.

Those terms are not defined in the bill. They have never been used in transportation legislation before. Consequently there would be very little, if anything, to go on in the way of precedent. The agency serves as a price regulator.

Another part the agency deals with is that the rates shall be commercially fair and reasonable. These words are used in the bill but are not defined. Hence they are likely to result in uncertainty, delay and contention which reduce the effectiveness of the level of service and competitive access provisions.

A further provision in the bill states that the clarification of these kinds of terms would come from the governor in council and does not help at all. It will introduce into the decision facing the council the politics of the day in preference to the economic considerations existing in the marketplace.

A further development is that a complaint, if one is issued by a shipper against the transportation agency, should not be vexatious or frivolous. These terms are not defined.

It is a very difficult situation. It is all very well to talk about the agency as being able to act as the final arbiter and to get agreements in place, but the result will be that litigation of one kind or another will come into play and the courts will become the arbiter.

• (1255)

There are two other parts of the bill that also need to be looked at: the idea of the interchange and the interswitch. These words have to be defined as well as the words limited running rights.

While the provisions of the bill go far they do not go far enough. Neither do they create a regulatory system which will provide an economic system that will look after the interests of transportation and shippers, so that together they can both meet their needs and we as Canadians will benefit from sound transportation and manufacturing systems that can deliver their products easily to the marketplace.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it gives me great pleasure to enter into the debate on the Bill C–101, amendments to the National Transportation Act, now called the Canada Transportation Act.

The bill is to be referred to committee after first reading. I believe opposition members as well as the public in general will have ample opportunity for input into how the bill could possibly be amended in other ways. This shows the dedication the government has toward making the system of government more open and more visible by allowing people to be directly involved in legislation that affects them.

This is basically another bill that realizes that governments should be steerers and not rowers of the economy. What do I mean by that? Basically most people have come to the conclusion that the government should act as a referee, a regulatory agency, but not be directly involved in the actual operation of businesses.

The Oshawa Municipal Airport is in my riding. I am constantly reminded the airport is operated by the city of Oshawa and why that is not the best interest of the local economy.

I will deal with two aspects of the legislation, both of which deal with air travel. It is surprising that previous speakers thought this was entirely a railway bill. It involves all sectors of transportation in Canada, not the least of which is air transportation.

I cannot underestimate the value of the whole transportation sector to Canada. Canada is the third largest country in the world geographically and yet we have one of the smallest population bases. It does not take long to realize that transportation has a major impact on how we develop our country.

I will talk about the north which we seem to have ignored. We have mostly spoken about transportation systems that occur in the southern parts of our country. In a recent study the Royal Bank discovered that Canadians were the second wealthiest people in the world if we take into account natural resources.

I do not have to tell members or other Canadians that we cannot quite see where that fits into our bank account at the end of the week. Very few of us feel that we have been able to access those resources so that we spread the wealth across the country. The transportation sector is one major aspect of why in some ways Canada has not been able to access all its natural resources to the benefit of all its people.

Industries such as tourism, metal extraction and forestry are big factions that use the transportation networks. Due to the regulatory burdens that often occur in this area, northerners often feel victimized by the transportation sector. Let me illustrate this by a very simple analogy.

Last summer I visited Kenora which some people do not consider as being north. Certainly it is in northern Ontario. I was surprised to discover that the cost of air fare to and from Kenora was twice as much as it would have cost me to go to London, England, and back. When I saw the bill come up for debate, I was very interested in why such things occur.

I discovered a very interesting aspect of the old National Transportation Act. Basically it divided Canada in half and not consistently in half either. It took the 50th parallel from Newfoundland to the Ontario–Manitoba border, then took the 53rd parallel in Manitoba and Saskatchewan and the 55th parallel in Alberta and British Columbia and created a designated area. What did that mean? It means we treated businesses in the northern part of our country differently than we did in the southern part.

• (1300)

Here are some of the aspects of competition that occurred in the airline areas in northern Canada. A test was used called reverse onus. Basically it allowed interested parties such as air carriers and communities to argue that the licensing of new services could lead to a significant decrease or instability in domestic service already provided.

Basically this meant a barrier to new carriers that wanted to compete with existing airlines. It also created in my mind artificial monopolies. Many people in the north suspect that these artificial monopolies acted as impediments to transportation in northern regions.

Bill C–101 serves to do away with that aspect. It allows the competition that exists in the southern parts of the country to apply in the north. Hopefully this will eventually result in lowering air fares to some of our northern communities.

Every once in a while we feel there is inappropriate business activity in the area of monopoly. This act also provides for a review of the fair pricing schedules of some of the airlines in the north, such that we could even affect a rollback if it were thought the monopoly that sometimes occurred due to the small number of users and smaller communities could be rolled back if gouging and price fixing et cetera had occurred.

Another aspect of the act which has not been mentioned to date is consumer protection. I am sure members are aware of the horror stories of people who travel south or even within our country. They buy airline tickets and show up at the airport on the day of reckoning and suddenly discover the airline has gone out of business. There has been no real mechanism for some of these people to get their money back. I am sure members are aware of horror stories of retired people who have saved for the trip of their lifetime to travel around the world and who discover they were jilted by the airline system for whatever reason and lost their money.

This legislation provides for a system whereby new carriers will have to be approved not only from a technical point of view as to whether they can fly planes but also from a financial one. These airlines will have to submit financial statements, et cetera, to show their fiscal ability to conduct their business. This can be nothing but good for consumers.

These two aspects as they affect air transportation in Canada are nothing but positive. It is one more step in the government's agenda of realizing we can do things better by making our regulatory framework simpler and more easily understood and, similarly, allowing small and medium size businesses to do what businesses do best, to compete in an open and fair market.

At the same time, the government realizes there is a need to protect consumers from possible unwarranted business activity and has put that in this legislation as well. There is an underpinning protection for the consumer and an ability to allow the industry to fully compete. Hopefully the benefits to this will be transportation at no financial risk to the general public. More important, hopefully it will reduce the cost of air fare in northern communities.

• (1305)

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am pleased to take part today in the debate on Bill C–101, known as the Canada Transportation Act.

This long awaited bill is the outcome of numerous independent and government studies concluding that the Canadian government must take steps to restore the viability of Canada's railway industry. The most recent of these studies was conducted by the National Transportation Act Review Commission. In 1993 it wrote: If Canada is not prepared to pay the price of serious deterioration in the rail sector as the decade progresses, it is indispensable that carriers be authorized and encouraged to make the changes necessary to becoming competitive.

The Commission also said that Canadian railways will be unable to contribute to making the national economy more competitive without major changes to their cost structures.

The Bill the government is proposing to us today was therefore long awaited. Essentially, its objectives are to modernize railway legislation, to redefine the mandate of the National Transportation Agency and to rename it the Canadian Transportation Agency, and to further deregulate the airline industry.

Although some of the proposed changes had been requested for some time, other proposals miss their target because these measures are incomplete.

For instance, one of the main provisions of this bill is to allow large national corporations like Canadian National and Canadian Pacific to get rid of rail lines that are no longer viable. Potential buyers would create so–called short line railways.

This has been very successful in the United States. In fact, like us, the Americans have had to revamp their legislation and regulations on railway transportation. They did so in 1980, when they passed the Staggers Act. One of the measures included in the bill was the development of short line railways. Since the Staggers Act was passed, more than 250 short line railways have started operating in the United States. This proliferation of regional railway companies made it possible to recycle more than half of the surplus rail lines abandoned by the large railway companies. According to information provided by Canadian Pacific, these short line railways, and I quote: "co–operate with the main rail carriers to provide efficient transportation for shippers located along lines with a lower traffic density".

In Canada, railway overcapacity is a major problem. In fact, according to CP Rail and I quote: "more than half—53 per cent, to be exact—of the 20,000 kilometres of CP Rail tracks in Canada carry only 5 per cent of railway traffic. The situation is similar at CN".

The railway company adds: "As far as CP's system is concerned, we are looking at more than 10,000 kilometres of rail that bring in insufficient revenue and on which millions of dollars in land taxes must be paid. —Establishing short line railways is one way of resolving the excess capacity problem. With their smaller cost structures, these railways are able to provide services that are not viable for larger railways".

The government claims to want to foster the establishment of short lines. In the background paper on this bill, the Canada Transportation Act, the government states that the new process was designed to encourage the sale or lease of rail lines to short line railways.

To this end, the government suggests that major railway companies develop a three–year plan in which they identify how they intend to dispose of their railway lines. CN and CP will be required to put up for sale those lines they no longer want to operate before they can abandon them.

• (1310)

Interested short line railways will have five months to come to an agreement with the national company, after which time, if no short line railway has come forward and no agreement was reached by the parties, the government, whether municipal, provincial or federal, will be entitled to exercise the option of operating the line. And, if no interest is expressed by any government, the company will then be allowed to just abandon the line.

This is a simpler procedure than the one in place until now. It has the advantage of fostering the establishment of local and regional rail transport companies. However, the government went only halfway, failing to stimulate the development of these short line railways which could become major players in regional development. Moreover, the process provided in the bill to allow national railway companies to dispose of their railway lines is flawed in a number of ways.

For instance, the establishment of short line railways will require huge capital investments on the part of those interested in such a venture. However, the federal government does not include any measure to facilitate the funding of these new ventures, unlike what the Americans did with the Staggers Act. For example, the government could have included loan protection measures to help establish these short lines.

Also, it appears that, between the time when this bill is proclaimed and the time when CN and CP's three–year plans are available, there will be a gap during which railway companies will be able to divest themselves of part of their surplus lines, without any interested party having time to review the potential of these lines, or find the required capital to buy or rent them.

Finally, the bill provides that, if no company is interested in operating a line declared to be surplus, or if no agreement is reached between the potential buyer and the railway company, governments will only have 15 days to decide whether or not to acquire that line. Such a deadline is definitely not reasonable, in my opinion. In imposing such a short time frame, the federal government adversely affects the regions, since they will simply not have time to inform their officials of the situation that will then prevail. These three flaws in the bill could jeopardize the establishment of short line railways. The government must make appropriate changes before the bill is passed.

As for airline transportation, the government is proposing a measure which gives me great concern. I am referring to clause 70(2), which reads:

> The Minister may, in writing to the Agency, designate any Canadian as eligible to hold a scheduled international licence and, while the designation remains in force, that Canadian remains so eligible.

That clause must be repealed. Indeed, it is common knowledge that this government favours Canadian Airlines, at the expense of Air Canada, which is based in Montreal. To grant the Minister of Transport the discretionary power to decide who can hold an international licence when a transportation agency was established for that purpose is just plain unthinkable.

Air service licensing should be open and impartial. The licensing process must not be subject to pressure from lobbyists, like it was last winter, when the Liberal government granted Air Canada only partial access to Hong Kong, while Canadian was granted unlimited access to the U.S., designated secondary carrier for Frankfurt as well as licensed to service Vietnam, the Philippines and Malaysia.

As the official opposition's critic for Canadian heritage, I am baffled by the fact that this bill gives such discretionary power to the Minister of Transport. I am afraid that this could create a dangerous precedent and become standard practice in all federal departments.

It worries me to think that such power could be given to, say, the Minister of Canadian Heritage or the Minister of Industry regarding the CRTC. Imagine for a moment what could happen in Canada if, just by sending a memo to the CRTC, either of these ministers could make people eligible to hold a telecommunications or broadcasting licence. One can easily infer that, given such power, the government would not have had to issue an order in council to favour Power DirecTv.

• (1315)

Consequently, the Prime Minister's son–in–law would not have had to appear before the CRTC and American T.V. would have flooded the Canadian airwaves.

Giving discretionary power to a minister jeopardizes collective good and interests. That is why I ask the government again to delete clause 70(2) from Bill C–101.

[*English*]

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I rise to speak to the motion to refer Bill C–101 to committee prior to second reading.

This massive document is supposed to be the first step in moving toward a rail system that will survive into the 21st century. It falls a little short. The rail transportation system has undergone major changes in the past decades but nothing compared to what is needed to ensure its future contributions to Canada's transportation needs.

The end of the Crow signalled the end of federal government subsidization of the railway companies. The rail companies must now be wholly dependent upon consumers paying for their services which is a novel idea in a country that has historically fostered government dependency.

We commend the Liberal government for realizing that changes must take place in the rail industry, however there must be more than just a realization that changes must be made. Tinkering with the rail system will not get to the route of the problem.

In the spring session we saw a number of bills rammed through the House without proper analysis.

Bill C–89, the commercialization of CN Rail, was sent to committee directly following first reading. In theory this should have allowed the committee to seriously examine the legislation and make amendments prior to second reading. In practice, this was smoke and mirrors and referral to committee was a ploy to allow rapid passage of the bill by short circuiting debate.

There should have been an opportunity to analyse the bill in detail but that never happened. The Liberal majority had no interest in even debating proposed amendments, much less giving them serious consideration. It now appears that Bill C–101 may be following the same fast track taken by Bill C–89.

Other bills that followed a similar process in the spring session were Bill C–64 on employment equity and Bill C–69 on electoral boundaries. There were some amendments on that one but they were only Liberal amendments and then it was fast tracked through. Another was Bill C–91, reorganization of the Federal Business Development Bank, and on and on.

The Reform Party will not be conned again into supporting this devious strategy. Bill C–101 has enormous implications for rail transportation in this country and it deserves serious assessment which it will not get if the government spirits it away to one of its neutered committees where the Liberals and the Bloc can, as usual, collude. They do not have to take seriously or even consider the smallest changes which we in the real opposition might propose.

The Reform Party has categorically stated numerous times that distortions in the marketplace caused by subsidies and regulations must be removed. Although subsidies to the rail companies ended with the death of the Crow, many of the regulations will remain in place.

I will briefly outline a number of concerns that Reform has with Bill C–101 with regard specifically to the agricultural sector. The legislation as it now stands calls for statutory review of the freight rate cap four years after the act comes into force. It will then be determined by the minister whether or not to repeal the cap and move toward a more market oriented system. It has been suggested that because a cap is a double edged sword, rail companies will automatically charge the maximum freight allowed for as long as they can.

The Reform Party supports the move away from a regulated system toward a system where freight rates are freely negotiated between shippers and carriers. Having a maximum rate does little in the way of promoting efficiencies in the industry.

• (1320)

We accept the need for a transition period between regulated rates and those determined through competition. This should be accomplished in the shortest possible time. Four years as originally proposed is ample, more than ample.

A less regulated system will allow for more efficient rail transportation. Rail line rationalization of high cost, low volume branch lines will permit an overall reduction of system costs. Several grain companies and farmer owned groups are already preparing for this type of system by building high throughput elevators on economically viable rail lines.

With respect to the creation of short lines, these should operate without government funding in locations where they will provide a viable cost effective alternative to other means of transportation. Short lines must be allowed to compete with other carriers on a level economic playing field. If they cannot compete, then they should not exist.

There are competitive short lines in Canada. The line operated by Railtex between Truro and Sydney, Nova Scotia, the Cape Breton and Central Nova Scotia railway carries coal, steel and general freight. Last year it had a profit of more than $3 million which was shared among the owners and employees. A second success story is the 70–mile Goderich–Exeter railway, also operated by Railtex.

Efficient cost conscious short lines work even when they are grain dependent. A couple of good examples are the little Southern Rails Co–Operative in southern Saskatchewan and the 114–mile Northeast Kansas and Missouri line south of the border.

A glaring fault in Bill C–101 is that under the proposed process for discontinuance, a railway company abandoning a branch line will be able to stifle competition by refusing to negotiate seriously with prospective buyers who want to operate a short line, notwithstanding section 144(3) which is window dressing. Canadian taxpayers, having financed these branch lines through the rehabilitation program in the 1970s and 1980s, have a very legitimate stake in this process.

In order for a competitive transportation system to develop, cumbersome regulations and restraints must be lifted in all sectors. This is very evident in the marketing and transporting of grain. A large number of producers and shippers close to the United States no longer want to be held captive by Canadian rail companies. Many farmers in southwestern Saskatchewan want to see more Canadian grain shipped on the U.S. rail system in order to take advantage of the efficient and economical elevation and terminal facilities south of the border. This would indirectly result in a more competitive environment for Canadian railways especially where, as in my riding, one carrier has a monopoly.

In summary, there are a number of stakeholders with legitimate concerns about the proposed legislation. It is essential that these concerns be heard, reviewed and assessed accordingly. If the referral process to committee is just more smoke and mirrors on the part of the Liberals, then there is very little reason for the bill to go to committee.

The Reform Party wants the consideration of legislation to be meaningful and open to all stakeholders. It therefore opposes the fast track ploy.

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak on Bill C–101, the Canada transportation act.

It is important to note that the opportunity to speak on this bill prior to its going to committee is different from what the previous speaker from the Reform Party has indicated. It has really given the public a greater opportunity to put forward its concerns and to hopefully have them addressed and acted on.

• (1325)

Since the House was informed under Standing Order 73(1) of the intention to refer the bill to committee before second reading, there have been a lot of letters and submissions coming in to members of Parliament from provincial governments, organizations and individuals. I have found them in the main to be well thought out and well researched. This gives us the opportunity to investigate their concerns and apply some forethought to the bill from a number of different perspectives.

Today I will address my remarks to some of the points being raised in some of those submissions, particularly points relative to the grain transportation industry and its impact on agriculture.

Mr. Morrison: In P.E.I.

Mr. Easter: The member from Reform indicates in P.E.I. I have found the people from the prairies continue to come to some of us who did live out there for a while because they cannot get the kind of response they want through the Reform and they naturally have to come to the Liberals in other areas of the country.

I bring these points up partly because of my past experience in this area and my identification of transportation as extremely important to the development of agriculture and the development of this country.

During extensive hearings last spring the subcommittee on grain transportation which I chair, in reviewing the impact on agriculture of changes to the WGTA, ARFAA, MRFA and feed freight assistance, we heard a lot that relates to some of the Canadian transportation act points. We are currently awaiting a response from the government on some 14 recommendations.

The minister was able to highlight the positive aspects of the legislation. I will try to highlight those aspects of the legislation which may require adjusting and amendment.

In April Transport Canada briefed the provinces on the impending transport legislation. The four objectives outlined at that time were: one, allow the railways to dispose of surplus trackage by offering lines for sale to short line railways prior to initiating abandonment; two, maintain provisions in NTA 1987, which have improved bargaining of shippers and extend these provisions to shippers served by short line rails; three, provide for limited running rights for short line railways over CN and CP lines; and four, reduce regulatory controls on CN and CP providing the railways more freedom to manage. These objectives are sound but we must ensure the legislation actually meets these objectives.

In a submission by the ministers of transportation for the three prairie provinces on Bill C–101, they claim the legislation does not meet these objectives. Although I will raise a number of points discussed by the prairie governments, I also want to indicate that a number of other submissions from prairie pools, UGG, NFU and others have raised similar concerns. I will table them to ensure the committee looks at them and considers them seriously.

Having been a farm leader, it is very important for the committee to develop an understanding of the people who are most affected by these changes. I encourage the standing committee to get out of Ottawa, get away from the bureaucracy and go where the people are to hear their concerns relative to this bill. It is only in that way the committee will really understand the impact of this bill including how it will affect the lives of people especially those in the agricultural community.

The three prairie provinces are specific in addressing their concerns the first of which is the role of the National Transportation Agency. The three prairie governments indicate in their submission: "Bill C–101 significantly changes the scope and authority of the NTA. The Canadian transportation agency will no longer have the authority to initiate enquiries". The prairie governments' submission continues: "The result is greater restrictions on shipper access to the agency and a weakening of legislative provisions intended to address and/or redress situations where competition is weak or absent".

• (1330)

The committee has to go out to the prairies so it can understand where the prairie governments are coming from on that point of view and in order to get some balance so that there is fairness to the railways and to the communities and players involved.

It is critical that the committee study these concerns to determine the possible amendments that may be required to address any shortcomings in the creation of the Canadian Transportation Agency.

The second point is rail line abandonment. Prairie provincial governments in their submission outline their concerns as follows:

> Bill C–101 allows a railway to change its three–year plan without providing advance notice. A railway could indicate its intention to continue operating all of its lines and modify its plan each time it decides to sell or abandon a line. This would provide interested buyers only a minimum of 60 days to consider purchasing the line. This may not be sufficient time to develop a business plan and arrange suitable financing.

That point should be looked at by the committee to ensure the public has the time and that part of the bill does not jeopardize efficiencies in the system. Bill C–101 must ensure the issues of notice and disinvestment by the major railways are addressed.

The third point is legislative review. The prairie provinces and others have outlined that the review at the end of the four year period must address three specific issues besides the overview provided in the legislation: review financial performance of federal railways; assess the new line conveyance and abandonment procedures; assess provisions affecting the development and viability of short line railways. Those are important points.

The subcommittee tabled its report in June. Included were a number of recommendations. A very important recommendation relates to short lines which really could create some efficiencies in western Canada and could ensure that if the short line were brought into place on lines targeted for abandonment, the farmers would have to haul their grain longer distances as abandonment would likely cause.

Some key points raised in the report are: one, the appointing of an independent ombudsman to monitor freight rates; two, process of consultations with all affected parties prior to major decisions respecting grain handling and transportation; three, that there be appointed a consultant to undertake a special study to identify rail lines potentially operable by short line railways; four, that federal and provincial ministers meet to consider alternatives for approving branch line takeovers; five, that the cost benefit review of the NTA of grain dependent lines take into account total transportation efficiencies.

I want to review the points in the act that the committee has to give serious concern to regarding submissions coming from the

agriculture community, particularly the west. I will not elaborate on the points but simply indicate the clauses. Clauses 27.2, 34 and 113 require extensive investigation by the committee.

I hope the committee gives serious consideration to travelling. It should go out and develop an understanding. This bill has major implications. It can develop our future in a positive or a negative way. The government wants to develop it as positively as possible. To best do that we need input from the people most seriously affected.

[*Translation*]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, like my colleagues for Blainville—Deux–Montagnes and Rimouski, I think this bill lacks both transparency and clarity. This is why I will vote against it.

In introducing Bill C–101, the government said it had three goals. First, it was to modernize legislation on rail transportation. Second, it was to redefine the mandate of the National Transportation Agency, which, in the future, would be called the Canadian Transportation Agency. Third, it was to further deregulate air transportation.

• (1335)

With your permission, I will start with this last point, which, I must admit, causes me considerable concern. Clause 70 of the bill specifically provides that the minister must give his approval for the Agency to issue a licence to operate a scheduled international service.

Thus, the minister is given full discretionary power in the issue or non issue of licences. This is a lot of power. I do not want to impute motives to the minister, but we have to admit that, in certain circumstances, a minister might well act a little less than rigorously and risk striking a nasty blow to this government's integrity and transparency.

By way of example, we might recall the awarding of international air links and the treatment given Air Canada and Canadian Airlines International in this area. Is there some bias in favour of Canadian? I do not know. All I know is that these two companies do not compete on an equal footing.

That same clause stipulates that the minister shall also issue the same type of authorization to all non–Canadians wishing to hold this same type of licence. At this time, with Quebec sovereignty imminent, we have doubts about the minister's ability to remain impartial despite all his good intentions. What guarantee do we have that Quebecers will be treated with the same concern for fairness and equality as anyone else? Might there not be another repetition of the double standard to which the federal government has accustomed us Quebecers ever since 1867?

This is important. Last winter we were all in a position to see what solely political considerations and powerful lobby groups can accomplish, how they can influence government decisions. Keep in mind how Air Canada and Canadian Airlines contracts were awarded. Moreover, can we have any certainty that the minister's decisions will place public interest above everything else and, if so, how can we have that certainty?

The government would have been far wiser to have taken advantage of the opportunity available in this bill to mandate the Agency to assess proposals from carriers and to decide on allocation of international routes through an impartial public quasi judicial process.

Bill C–101 also affects the railways, and some of its provisions would benefit from a review. Clause 90 is a perfectly beautiful example of flexible federalism. While this government is unceasingly singing the praises of Canada with this bill, it is once again exhibiting an extremely unhealthy tendency to interfere in provincial jurisdictions. This government's flexible federalism means that the provinces give in and the federal government invades their jurisdictions.

Take the short line railways, for instance, which are a purely provincial matter. Nevertheless, clause 90 of the bill authorizes Parliament to pass legislation declaring any railway, including short line railways, a work for the general benefit of Canada. Basically, this means that provincial legislation no longer applies and that the company is regulated by the federal government.

While Quebec is doing everything in its power to encourage the creation of short line railways, the federal government, with its continuing tendency to interfere with the business and jurisdictions of the provinces, is doing everything it can to discourage or prevent Quebec investors from investing in short line railways.

• (1340)

Clauses 140 to 146 refer to the sale of railway lines. We read that potential investors have only 60 days to indicate their interest.

Sixty days to indicate their interest, to make an assessment of and collect, the capital required to purchase the lines available. This is hardly encouragement, unless it is supposed to encourage them to drop their plans.

As a member from a region—the riding of Champlain—where railways are practically non–existent, I think I can say that this government gives no consideration to the development of the regions which, you may recall, were severely affected by the abandonment of branch lines. The federal government is letting the regions die a slow death.

While the Quebec government supports decentralization to the regions, the federal government is interested in the regions only insofar as that they give it an opportunity to interfere in areas under the jurisdiction of Quebec.

As I read this bill, I wondered whether the Minister of Transport consulted his colleague, the Minister of the Environment, when the bill was being prepared. At a time when the Quebec government invests millions of dollars so people will "think green", when Quebec schools teach our children at an increasingly younger age about protecting the environment, the bill before the House today does not provide that the agency shall conduct an environmental study before authorizing the construction of a railway line. Why give more power to the auditor general under Bill C–83, if we cannot even ensure protection of the environment in an area relating to transportation?

Is it not our duty as lawmakers to protect the future of our planet and, therefore, any legislation that could have an effect on the environment should contain clauses to ensure this protection.

I cannot support this bill because it is unclear. It is totally vague. Is this government's trademark not its lack of clarity? The fog settles in without clarifying anything about the new Canadian transfer. And yet, the government was saying a few months ago that this was the key that would unlock Quebec's claims. The same was said about unemployment insurance reform.

One thing is sure, Quebecers know the sort of society a yes vote will take them into. Whereas a no vote does not reveal what sort of Canada we will be in. No doubt it will be a foggy Canada, because discussions on this keep being put off.

For these reasons, I will vote against Bill C–101.

[*English*]

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I am pleased to rise today to address the motion to refer Bill C–101 to the Standing Committee on Transport prior to second reading. As we are all aware, in the past a number of bills have been sent to committee prior to second reading. Bill C–45, Bill C–64, Bill C–89 and Bill C–91 are a few of the bills which have gone through that process.

Originally Reformers supported this new process since we believed the government when it said MPs would play a much greater role in shaping legislation within committee. However, committee reform has come to represent yet another broken promise within the Liberal red ink book. That faulty document states that MPs will receive a greater role in drafting legislation through committees. It goes on to say that committees will also be given greater influence over government expenditures.

It will come as no surprise to anyone who has sat on a committee that none of these things has come to pass. In most cases the opposite is true; the role of MPs at committee has been diminished or their efforts have been deliberately obstructed by Liberal committee members.

The best example of this is the fiasco which arose over the committee hearings surrounding Bill C–64, an act respecting employment equity. As I mentioned earlier, this bill was sent to committee prior to second reading under the premise that it could be more easily studied there and amendments could be brought forward and discussed at length.

• (1345)

However the proceedings were completely mismanaged and the whole examination of the bill was so skewed in favour of the government's position that Reformers boycotted the hearings. For instance, only four of the fifty witnesses to be called before the committee were accepted from the list submitted by the Reform Party.

Furthermore, debate on each clause within the bill was limited to five minutes. This meagre five–minute allotment included the introduction of amendments, debate on the amendments and time to ask questions of departmental officials. Government members of the committee refused to accept amendments printed in only one of the official languages, and it is reported that numerous voting irregularities occurred. This was the new and improved committee process we were promised in the red book.

Before referring Bill C–64 to committee prior to second reading on December 12, 1994, the minister of human resources stated that the process represented: "innovation on the part of the government to turn over a bill after first reading to a committee so it can help in the actual drafting of the bill".

As we have heard, MPs from my party were allowed almost no input in the final drafting of Bill C–64. However the futility of committees is not constrained to that one example. If we turn to Bill C–89, a piece of legislation that would see the privatization of CN Rail, we can also point to instances whereby opposition MPs were simply ignored with respect to amending legislation.

The Reform Party put forward a number of non–partisan amendments to the bill that were in the best interests of the Canadian National Railway, the industry and the taxpayer. Again these amendments were ignored and the bill was ultimately fast tracked with no amendments being introduced. MPs who were promised input into the legislative process were thwarted.

Further, it comes as no surprise that the government fast tracked Bill C–89 and is now attempting to do the same with Bill C–101. Bill C–89 permits shares of CN Rail to go on sale this fall. Bill C–101 is an attempt to bring the Canadian rail industry into a more competitive position with respect to its U.S. counterparts. Bill C–101 attempts to make it easier to establish short line railways and abandon lines. It reduces the number of regulations and taxes imposed on the rail industry. Should Bill C–101 be fast tracked, CN Rail shares will look more inviting to potential investors.

In all, Bill C–101 is a huge piece of legislation which shippers, railways and provinces have serious concerns over. All these parties have a right to be heard and that right should not be denied because the government wants to ensure CN Rail shares will sell this fall.

In August the minister of agriculture stated that the legislative process surrounding Bill C–101 would be open and amendment friendly. However, as I understand it, the Standing Committee on Transport has imposed arbitrary deadlines for submissions by stakeholders.

Further, I am told that while submissions have been received by the committee, the committee has yet to make them available to committee members. Why should we believe the minister of agriculture or anyone else with respect to the promises of openness and thoroughness at the committee stage?

The minister of human resources promised the same in relation to Bill C–64 and Reform MPs were shut out of that process as well. The government is long on promises, awarding MPs greater powers at committee stage. However it is short on delivering on promises, as we have already seen in a number of bills.

Therefore it will come as no surprise to members of the Chamber that I cannot support the government's motion to refer the bill to committee prior to second reading. Reformers will not assist in fast tracking such an important piece of legislation to spruce up CN Rail's profile for sale of its shares this fall. Reformers will not help the government limit access to committee hearings under any circumstances.

All parties affected by Bill C–101 have a right to come forward and be heard. We gave the government the benefit of the doubt and supported its promises of parliamentary reform through the committee reform system. It has done nothing to revamp the process and its promises amounted to nothing but so much Liberal hot air, of which we have had enough in the Chamber, let alone at committee.

• (1350)

I guess committee reform will just have to be added to the long list of Liberal broken promises. Accordingly I will not support the motion presently under debate.

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I rise to speak to Bill C–101 respecting the Canada Transportation Act. In my capacity as chairperson of SCOT I had originally planned to speak to the bill after committee review. I believe it is my first duty to hear and evaluate the concerns and issues raised by various stakeholders who may be affected by the legislation to ensure an effective legislative process.

Speaking of process, I was listening very carefully to the misleading statements made by the member for Kootenay West—Revelstoke and felt compelled to respond. A full seven minutes of the ten–minute slot allotted to the member to speak to Bill C–101 were devoted to procedural matters that were not at all relevant to the substance of the bill. Plain and simple, the member chose to play politics, something the third party promised not to do when elected to the House.

Bill C–101 was introduced in the House by the Minister of Transport on June 20. Privileged to be the chairperson of the Standing Committee on Transport, I attempted with the consensus of committee members, as stated in my letter to the stakeholders dated July 17, 1995, to "solicit written submissions throughout the remainder of July and August in order to ensure that you and other stakeholders have ample opportunity to apprise committee members of your concerns prior to formal consideration of the legislation in the fall".

In other words, I first appealed to the opposition members of both parties to proceed with a pre–study of the bill. The notion was flatly rejected. Step two was to make an appeal to the stakeholders, as previously stated, to send along their written submissions to give committee members, especially members of the third party, an idea of the concerns raised by stakeholders as early in the process as possible.

I asked them to prepare not 25 copies as alleged by the member for Kootenay West—Revelstoke earlier this day but 15 copies, if possible, to cut down on committee expenses, something else the third party preaches ad nauseam. We also asked that submissions be sent in both official languages. Unfortunately many were not. Therefore, before the clerk could circulate the submissions, we had to have them translated and that takes time.

Mr. Stinson: No.

Mr. Keyes: Tell your colleague from Kootenay West—Revelstoke that.

The Acting Speaker (Mr. Kilger): I understand that at all times matters of importance bring out strong views and strong feelings. However I remind all members to make their interventions through the Chair.

Mr. Keyes: There was no secret agenda to hold back submissions as the hon. member for the third party has suggested. I explained all this to the member verbally last week. I went over there, sat down, explained it all to him, and then I followed it up with a formal letter addressing each and every one of the concerns he raised in the House today.

That did not satisfy the member opposite, not at all. Finally and quite frankly the chairperson, committee members, the government—

Mr. Fontana: And the parliamentary secretary.

Mr. Keyes: And the parliamentary secretary, the member for London East. We are doing our level best to produce effective legislation.

Because of my appeal to the stakeholders backed by the consensus of the committee in July, our committee clerk has received over 70 written submissions and close to 100 requests to appear before the Standing Committee on Transport. We have done our homework.

• (1355)

I assure the House and all my colleagues that, as I stated in my letter to the member for Kootenay West—Revelstoke, every stakeholder who has contacted the committee clerk to appear before the Standing Committee on Transport is being provided with the opportunity to do so with or without a written submission.

We look forward to working on Bill C–101 as put forward by the Minister of Transport to create the effective legislation the country needs to go into the next century with a transportation system that will be unmatched by any other country in the world.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am pleased to commence, albeit briefly, debate on the bill. I recognize that in only a few minutes we will be adjourning to commence proceedings under Standing Order 31.

However, in the few moments afforded me, I want to talk about the bill in question respecting the Canada Transportation Act.

I guess it is now time for question period.

The Speaker: We always welcome astute comments.

[*Translation*]

It being two o'clock p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

FLEETWOOD TRAILERS

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, it is a pleasure to announce that the Fleetwood trailer facility in the town of Lindsay, Ontario, has won the customer satisfaction award for the fourth consecutive year.

The Prowler trailer plant competes against 15 other factories in North America every year and it is the only facility located in Canada. Its rating was over 95 per cent.

It was my pleasure to present a Canadian flag to our friendly American vice–president of operations who attended from California to help congratulate the Lindsay plant employees on their championship.

I say congratulations to the Lindsay management and employees on their success.

* * *

[*Translation*]

FIGHT AGAINST AIDS

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, yesterday, 40,000 people, including 25,000 in Montreal, took part in the walk against AIDS. The purpose of this third Farha Foundation walk–a–thon was to collect funds for those organizations that assist and support people with AIDS.

With serenity and respect, the procession observed a minute of silence to pay tribute to AIDS victims so that no one will forget them or forget that this disease is still causing too many tragedies.

Saint–Exupéry used to say that everyone was responsible for all. The walkers showed this kind of solidarity. As for the federal government, it is still waiting to assume its responsibilities and take real action against this disease. Will the federal government finally listen to reason? It is worth repeating that "everyone is responsible for all".

* * *

[*English*]

COMMUNITIES IN BLOOM

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, the city of Quesnel, British Columbia, in my riding of Cariboo—Chilcotin was a finalist last weekend in the Canada–wide competition called "Communities in Bloom".

Each year proud community minded citizens across the country are pleased to show off their towns and cities to the judges. The finalists were judged on the quality of their green space, the diversity and originality of landscape, general tidiness, environmental awareness, and the level of community involvement.

The people of Quesnel are very proud of the natural beauty of their city at the confluence of the Quesnel and Fraser Rivers. They have worked hard to make it beautiful for themselves and very attractive to all visitors.

I am proud that Quesnel was awarded the prize for originality in floral plantings.

I ask my colleagues to join me in warmly congratulating the citizens of Quesnel for this outstanding achievement.

SUPREME COURT

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the recent decision of the Supreme Court of Canada to overturn legislation passed by the House regarding the advertising of tobacco products is the latest evidence of a shifting balance of power away from Parliament toward the unelected and unaccountable Supreme Court.

In this and other decisions the court has extended the rights of individual citizens to business corporations as presumed legal individuals. This presumption has transformed the charter from a guarantor of individual rights to a political lever that allows corporations to evade the legitimate regulatory actions of a democratically elected government and House of Commons.

In addition, the court has also in some cases interpreted laws or extended them in ways deliberately not articulated by Parliament at the time the law was passed. This growing shift in power toward the court requires new measures to improve the accountability of the court.

I call on the government to consider a royal commission to propose measures that would add transparency to and wider participation in the process of selecting Supreme Court judges in a manner consistent with our parliamentary system of government.

* * *

NEW BRUNSWICK

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, once again New Brunswick is on the cutting edge of the emerging new economy. It is leading in the area of making governments more user friendly and making it easier for Canadian businesses to compete in the global economy.

The federal and provincial governments will combine efforts on trade promotion and will share information on export programs. The program being announced today in Fredericton is to be known as "Trade Team New Brunswick", the first of its kind in Canada. This program will simplify the process of helping exporters develop new markets.

Under the trade team concept an entrepreneur will be able to get information on both governments' programs from any economic agency of either level of government. The trade team concept is a result of ten months of work by eight different government agencies.

I congratulate Premier Frank McKenna and the federal Minister for International Trade on this great achievement. I also extend my best wishes to the Canadian Exporters Association which is meeting in my riding today for its 52nd annual conference.

S. O. 31

FEDERATION OF STEREA HELLAS

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I rise to welcome a group visiting the nation's capital region today.

The Federation of Sterea Hellas represents over 15,000 Canadians who descended from the central part of Greece known as Roumeli. The federation is involved in many worthwhile projects and is primarily concerned with issues of an ethnocultural nature.

This year the federation has unanimously decided to recognize the right hon. Prime Minister of Canada for his longstanding commitment and service to our nation. It also commends him on his efforts of national unity, world peace and his undying belief in democracy and human rights.

I wholeheartedly support the federation in its decision and congratulate the Prime Minister on this well deserved recognition.

I also extend a warm welcome to the federation, its president, Mr. Constantin Bikas, and Mr. Chris Geronikolos. I hope their stay in Ottawa will be an enjoyable and informative one.

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[*Translation*]

JOSEPH RICHOT

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, representatives from all political parties gathered this morning in the rotunda of the Manitoba legislature to unveil a plaque to commemorate Father Noël Joseph Richot.

Father Richot was an adviser to Louis Riel and led the delegation that negotiated the terms of the Red River Colony's entry into confederation. Through his arguments, the colony obtained provincial status and bilingual and bicultural institutions. Father Richot worked to expand the francophone population in Manitoba.

With this 125th anniversary of Manitoba's entry into confederation, it is appropriate to honour Father Richot at the Manitoba legislature, a provincial institution he helped create.

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FÉDÉRATION DES FEMMES DU QUÉBEC

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, a majority of members of the Fédération des femmes du Québec support sovereignty. An exceptional proportion of 83 per cent of them have said yes to change. Each day, more and more women consider Quebec's sovereignty as a prerequisite to the progress of equity and justice in our society.

• (1405)

Whether it is for pay equity, parental leave, preventative withdrawal of work or child care services or to prevent regressive federal reforms of old age pensions and unemployment insurance, the women of the Fédération des femmes du Québec are convinced that only a sovereign Quebec will fulfil their needs.

The Bloc Quebecois invites all Quebec women to participate actively in the debate on Quebec's future.

* * *

[*English*]

PEARSON AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, this fall is an anniversary of sorts for the Liberal government. It will be two years since the controversial cancelling of the Pearson airport contract.

For two years the government has claimed the process was corrupt and yet for the same two years it has not produced one substantive piece of evidence demonstrating its alleged corruption.

For two years the government has claimed it was not a good financial deal for Canadians in spite of government documentation to the contrary, and yet for the same two years it has not come up with an alternative plan.

For two years the government has claimed that failure to pass Bill C–22 has resulted in its inability to deal with the problem in spite of the fact there is no injunction standing in its way and the Pearson Development Corporation has not requested specific performance in its court action.

Witnesses under oath at the Senate inquiry made allegations which indicate the cancellation of Pearson is nothing more than a snit by the Prime Minister against the principal partner in the deal who had the audacity to donate to the Prime Minister's main opponent in his leadership campaign.

After two years the Liberals should not be celebrating; they should hang their heads in shame.

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QUEBEC REFERENDUM

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, yesterday's official announcement confirming October 30 as the date of the Quebec referendum brings us a step closer to the certainty that the people of Quebec will overwhelmingly vote to stay in a united Canada.

I thank Premier Parizeau for giving the citizens of Quebec the opportunity to decisively say yes to a united Canada. Each and every eligible voter now has the opportunity to reject the false premises and unrealistic expectations of the separatist movement in Quebec. The destiny of millions of Canadians is now in their hands. I am convinced they will choose the no option.

Having spent the past four weekends in Quebec meeting with numerous committee organizations, I believe a stronger and united Canada will emerge on October 31. I urge every member of the House to work toward achieving a united Canada. Our efforts will make a difference in keeping Canada together.

* * *

CANADA

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, school children from around the world love contests, and last June Canadian school children got their chance to enter one.

At the request of cartoonist Ben Wicks newspapers from across Canada and the Schoolnet asked our children to depict how they felt about their country. They could submit letters, poems, drawings or paintings.

The response was overwhelming. More than 50,000 replies were received and 300 were selected for a new book called *Dear Canada/Cher Canada—A Love Letter to My Country.*

Today Mr. Wicks and 20 children from across Canada are in Ottawa to launch this book. The proceeds from the sale will go to needy mothers and children in Haiti and to the Boys and Girls Clubs of Canada.

Through this book the children of Canada are telling us what the rest of the world already knows, that Canada is the best country in the world.

* * *

PRESENCE IN GALLERY

The Speaker: Colleagues, Mr. Wicks and the children are here. I would ask them to stand and be recognized by Parliament.

Some hon. members: Hear, hear.

* * *

[*Translation*]

NATIONAL INFRASTRUCTURE PROGRAM

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, the national infrastructure program put in place by our government will soon be two years old. All regions of this country have enjoyed the significant benefits of this program, which not only made it possible to modernize municipal facilities but also created an impressive number of jobs.

In Quebec, this program created over 25,000 new jobs in connection with 1,882 projects. To date, in excess of $436 million was injected into the various projects by federal, provincial and municipal governments.

• (1410)

The national infrastructure program also showed that the various levels of government can co–operate when they really want to. It is a good example of a successful and effective program, and we are quite proud of it.

* * *

QUEBEC ECONOMY

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, yesterday the Parti Quebecois Premier made use of something said by one of the executives of the Bank of Montreal to reaffirm his confidence in the economic future of an independent Quebec. It is paradoxical, to say the least, to see the head of the Parti Quebecois using the words of a representative of the Bank of Montreal to support his separatist pretensions. In June 1994, the same man was publicly inviting Quebecers who did business with the Bank of Montreal to pull out of the institution because its chief economist had dared to say that the election of the Parti Quebecois would make the money markets extremely nervous.

This is a fine example of the separatists' double standard. If you make a statement in favour of Quebec independence one day, you are quoted publicly. Then, another day, if you say something against separation, you become the target of the PQ's big guns. So much for intellectual impartiality.

* * *

JOB CREATION

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, historically Quebec has been the biggest loser by far when it comes to federal expenditures for job creation. A study commissioned by the Bélanger–Campeau Commission concluded that the current level of federal expenditures for job creation in Quebec is far below the average. Since statistics have been available, Quebec has not received its share of funding from Ottawa aimed at bolstering the economy, whereas Ontario has had the lion's share in terms of federal purchases of goods and services, capital investments, research and development, defence spending, I could go on and on.

With the cuts that were announced in the last federal budget not only will development continue in Ontario, but Quebec will not even receive the amount of social transfers it was receiving in the past. That is an excellent reason for a yes vote this coming October 30.

* * *

[*English*]

ADAMS RIVER BRIDGE

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, three weeks ago the Adams River bridge was torched by an arsonist during the Gustafsen Lake confrontation, also with Shuswap Indians, forcing some 90 residents previously blockaded by the Adams Lake Indian Band to use a temporary ferry as their sole access to every service from medical health to the mail.

The Department of Fisheries and Oceans has said the salmon resource will prevent bridge demolition and reconstruction until mid–August 1996. Because the court ruled the private road belongs to the Adams Lake Indian Band, nobody knows who owns the bridge and therefore who has the responsibility to rebuild it.

I will present a petition today from Indian Point residents that the government buy out their homes at the assessed value.

On behalf of Adams Lake residents, mostly seniors seeking peaceful retirement, whose lives have been so terribly disrupted by federal and provincial government mismanagement, I urge the minister to buy out their homes now.

* * *

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, the three countries that are party to the North American Free Trade Agreement have not yet been invited to comment officially on an independent Quebec's membership in NAFTA, and yet already anxiety is being felt in government headquarters in Quebec City. Today's *Globe and Mail* reveals that the Parti Quebecois government has prepared a list of 31 different subjects or areas for negotiation with the future partners before an independent Quebec joins NAFTA.

This list of preferential acts and regulations Quebec currently enjoys as a province of Canada would no longer be covered by the terms of the present agreement should Quebec separate. Quebec would be best assured of protecting these various sectors of activity by remaining in Canada, and this is what the people will say on October 30.

* * *

STUDIES COMMISSIONED BY THE QUEBEC GOVERNMENT

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, what we now call the Le Hir studies will not go unnoticed in the current referendum debate. After delivering separatist tinted studies and after hiding studies that did not fit with PQ orthodoxy, the minister responsible for reworking information has just tabled in one fell swoop the last 26 studies he commissioned.

Furthermore, these studies are available for consultation only at government offices. Anyone wanting a copy pays 25 cents a page.

• (1415)

The people of Quebec have already amply paid for these separatist propaganda studies. The Parti Quebecois government's attempt to impose an information tax on them is unacceptable.

ORAL QUESTION PERIOD

[*Translation*]

RESEARCH AND DEVELOPMENT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, last Friday, the Prime Minister refused to take part in a four-way public debate on the political future of Quebec and asked the official opposition to give him one good reason to vote Yes on October 30. Here is one good reason among many others, and I am referring to Ottawa's ongoing under-investment in research and development spending in Quebec, which is otherwise a preferred way to create new jobs. I may recall that Quebec receives only 18.6 per cent of federal funding, as opposed to 50 per cent for Ontario.

My question is directed to the Prime Minister. What explanation does he have for the fact that the federal government is depriving Quebec of its fair share of research and development and has done so for nearly 20 years?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, Quebec receives more than its share of research and development funding. The figures quoted by the Leader of the Opposition assume that money spent within the national capital area only benefits Ontario, while in my riding, I have 1,700 people who work in research and development institutions on the Ottawa side.

This is the wrong way to look at spending. In fact, when we exclude the National Capital area, we see that nearly 30 per cent of research and development spending goes to Quebec, which represents only 24.9 per cent of the population.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if we exclude Ottawa, if we forget that Ottawa is in Ontario, if we overlook the fact that jobs created on the Ontario side benefit Ontario, that taxes are paid in Ontario, that contracts are awarded in Ontario and that research networks are created in Ontario, then he is right. However, Ottawa will not go away.

It so happens that Quebec receives only 13.8 per cent of Ottawa's research and development spending in its laboratories within the national capital area. Only 13 per cent is done in Quebec and the rest on the Ontario side.

Will the Prime Minister, and my question is directed to him since he is ultimately responsible—since he will not go on television, he can at least answer me here—will the Prime Minister—unless he sends his ineffable minister who just replied—will the Prime Minister at least admit that the federal government systematically discriminates against Quebec when distributing funding for research among its own laboratories?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the Leader of the Opposition is getting a bit upset. The answers given by the Minister of Intergovernmental Affairs were quite clear.

Here in the national capital, some people live in Quebec and work on this side of the river, while some people on this side of the river work on the other side. The minister just said that in his riding, Hull—Aylmer, on that side, 1,700 residents work on research and development in laboratories on this side, in the national capital. If we exclude the national capital, in other words, if we compare Quebec with the other provinces, Quebec receives more than its share.

It has 24 per cent of the population and receives 30 per cent. That is clear, if we compare Quebec with Saskatchewan and Ontario with Quebec. Here in the national capital, we share and share alike. We have lived together for more than a century and will continue to live together for another hundred years.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, all but a few—three, four or five—research centres are located on the Ontario side. Dozens of federal research centres are located in Ontario. The Prime Minister should at least acknowledge this basic truth, which is that Quebec has always been denied its fair share in research and development. Many have acknowledged this before him, so he could make a gesture today and admit it.

• (1420)

We know that Quebec receives federal help on social assistance, unemployment insurance and equalization, but this spending does not create jobs or stimulate the Quebec economy in any way.

Does the Prime Minister admit that Ottawa's chronic underinvestment in research and development, which creates jobs, is the reason why Quebec is so dependent on unproductive federal contributions?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Canada developed in such a way that today, for example, the aeronautical industry is concentrated in Quebec. It could have been elsewhere in Canada, but that is the way things turned out.

Some sectors are concentrated in Quebec, some in Ontario, some in other provinces, so that Canada manages to develop in an equitable way. But there is always room for improvement.

I am not saying that Canada cannot be improved; it can always be improved. But one should not separate from a country simply because of petty quarrels on approximate budget levels on one side or another. One can find all kinds of justifications. For example, Quebec naturally receives money for national ports but, because it is in the middle of the Prairies, we have not yet dug a river in Saskatchewan so that we can give that province its share of the national ports budget. That province does not receive anything for national ports but it does not complain about it.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, what an extraordinary leap of logic.

The federal government is about to sign with GM, in Ontario, a major contract worth as much as $2 billion for the acquisition of armoured vehicles. Despite the intergovernmental affairs minister's attempt to reassure Oerlikon in Quebec, a GM spokesperson clearly indicated that Oerlikon was not a contender for the armoured turrets subcontract, in spite of the fact that Oerlikon is the Canadian center of excellence for this kind of work.

Given that, in the past 15 years, Quebec has been shortchanged by at least $10 billion in the distribution of federal military expenditures, why would the Prime Minister not give Quebecers the assurance that they will get their fair share of the economic and technological benefits associated with the generous contract which was awarded to General Motors instead of Oerlikon?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, to date, no contract has been signed with General Motors, and the question of content will be addressed as part of the contract negotiations.

As for Oerlikon, there have been discussions between officials of my department, other departments and General Motors to examine the possibility of including Oerlikon in GM's plans for manufacturing armoured personnel carriers.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, Canadian Prime Ministers have been promising for decades to remedy the situation. Yet, no corrective action has ever been taken.

How can the defence minister explain the statement he made about this contract on Radio–Canada's television program *Enjeux*, that the federal government cannot afford to be fair to Quebec? How does he justify making such a statement?

[*English*]

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is not unusual but the hon. member has taken the words I used on that television program entirely out of context. What I stated was that the mandate of the Canadian Armed Forces is to deliver its services in the fastest, most efficient way possible.

We have to do that sometimes without having regard to the expenditures of national defence being equitable in every single region. Part of that problem harks back to the second world war when a disproportionate amount of Canadian forces infrastructure and spending was in the Atlantic provinces because it was a staging area for war. This has tended to disfavour certain regions.

• (1425)

In spite of that, in the 1994–95 fiscal year 20 per cent of military spending and 27 per cent of the capital expenditures were made in the province of Quebec.

* * *

NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question is for the Minister of National Defence.

Media reports today maintain that documents received from the Department of National Defence through access to information have been falsified. One of these documents had entire sections deleted and the Department of National Defence did not indicate any omissions but presented it as an accurate copy of the original. Another document had not only been edited but entire sections had been rewritten in order to misrepresent statements which were damaging to the Department of National Defence in the original.

I demand that the Minister of National Defence explain the actions of his department to Canadians.

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in a review of certain access to information requests made of the department, it was discovered that certain errors and omissions had occurred. Immediately when that was made known to senior officials, I was informed. An investigation has ensued. The information commissioner has also been informed and we would like to know why this state of events has occurred.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, on Friday the Prime Minister assured the House and all Canadians that the government takes responsibility for making sure that the Somalia commission has all the facts. Today's revelations call into question the government's commitment. The Department of National Defence has turned over mountains of material to the commission.

If the Department of National Defence is capable of falsifying documents to the media, how can Canadians be sure it is not altering evidence to the commission of inquiry in a similar fashion?

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): I certainly do not accept the premise in the hon. member's question.

It is quite obvious that some erroneous thing has happened which is being investigated. Certainly we stand by what we have said repeatedly and what the Prime Minister said Friday, that all documentation will be made available and all co–operation will be given by the Department of National Defence to the inquiry.

We would like to know why these omissions did occur. We acted responsibly by informing the information commissioner. As soon as we know why this happened we will certainly make that public.

It was the department officials themselves once they found the errors who called in the person who had originally made the request. They were quite open and honest about this particular mistake that had occurred.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Minister of National Defence has consistently expressed confidence in his department officials despite recurring charges of mismanagement, poor judgment and misconduct.

Another internal inquiry is utterly unacceptable. The DND hierarchy is absolutely unable to investigate itself. The evidence of these documents suggests possible criminal behaviour.

Will the minister treat this as a criminal matter within his department which is separate from the Somalia inquiry and immediately call in the RCMP to investigate the Department of National Defence?

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I would not preclude any measure that might be taken with respect to this matter. Initially we are investigating it ourselves. Should it warrant investigation by an outside agency such as the RCMP, that will be done.

* * *

[*Translation*]

CFB CHATHAM

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is to the Minister of National Defence.

In order to lessen the consequences of the closure of the base in Chatham, New Brunswick, the minister forced the bidders for the program of refurbishment of armoured vehicles to do the work in Chatham, where there is no expertise in the field. Yet, in Saint–Jean, Quebec, the government closed the Military College, reduced the staff and the activities of the base, with dire consequences for the region's economy, but offered no compensation whatsoever.

How does the minister justify, on the one hand, compensating Chatham for the losses while, on the other, refusing to give Oerlikon of Saint–Jean the same incentives he gave GM, and this despite the fact that Oerlikon has unique expertise in the area of gun turrets?

• (1430)

[*English*]

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the armoured personnel carrier contract, the refurbishment of the old carriers and the direction of part of that work to Chatham—and the hon. member conveniently forgot to mention that most of the work on the refurbishment would be done at the defence workshops in the east end of Montreal—do not constitute any reparation or compensation for base closures. We have categorically ruled that out.

If we can assist a community, whether it is Chatham, Saint–Jean, Quebec, Calgary or anywhere else where base closures have been announced, by directing or encouraging suppliers to do business with a base or make purchases or manufacture in certain regions, then we would do so.

What we have said because of all of the closures—the one at Chatham being the most devastating in terms of its regional impact—is that any contractor who wishes to carry out a small part of the work of refurbishment would have to stipulate that the work be done in Chatham, New Brunswick. I think that is fair and equitable.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I did not forget the whole business of refurbishing the armoured vehicles, but I remind the minister that he specified that contracts would be in Chatham, whether there is expertise there or not.

Should I understand that when it comes to Ontario and New Brunswick the Minister of National Defence does not hesitate to compensate for closures, protect jobs and even create new ones, whereas for Quebec there is no maintenance work provided for the old armoured vehicles? The Prime Minister wants us to give him good reasons to vote yes, here is one.

[*English*]

Hon. David Mr. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member is quick to criticize the government, especially on defence reductions.

First, I have to remind the hon. member that it was his party in the last election that called for a 25 per cent reduction in defence spending.

Second, the hon. member has the Canadian forces base Valcartier near his constituency. He conveniently forgets to tell you, Mr. Speaker, that actually defence expenditures at Valcartier have been increased in the last couple of years when other regions have suffered.

Third, he conveniently forgets to say that the majority of the refurbishment work is to be done in an area of very high unemployment, the east end of Montreal, because the defence workshops there are the most able to perform that work. He does not tell us all of that.

* * *

1996 CENSUS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the Minister of Industry says that a question on race is included in the 1996 census because a specific question on racial origin would be beneficial for a wide range of purposes.

However, question 19 is inconsistent as it confuses race, nationality and geographic location. It would allow the Minister of Citizenship and Immigration to claim to be a visible minority because of his Latin American birth.

Can any minister advise the House of one purpose this question will benefit other than providing targets for the government's employment equity program?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I thank the hon. member for her question. Every five years Statistics Canada gathers important information to allow the government to fulfil its programs and commitments to Canadians.

In this context, the questions which have been developed for the 1996 census are eminently reasonable and sensible.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Canadians filling out this question will have the option of stating whether they are one of the following nationalities: Chinese, Filipino, Japanese or Korean. However, most immigrants, or descendants of immigrants from these countries, consider themselves to be proud Canadians but they cannot indicate that.

Is the government prepared to stop the practice of creating hyphenated Canadians by adding another nationality to the list, Canadian?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, the hon. member has omitted to read question 17. Question 17 asks to which ethnic or cultural group does this person's ancestors belong. In Question 17, one of the answers is Canadian.

• (1435)

Question 19 is different. I point out that the census document will quite clearly allow people to show that they are of Canadian origin.

[*Translation*]

RESEARCH AND DEVELOPMENT

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Finance, who is responsible for regional development in Quebec.

When it was first announced that the Canadian space agency would be located in Saint–Hubert, we were told that federal aerospace research would be conducted in Quebec. However, aerospace research centres, which have a combined budget of close to $45 million, have remained in Ottawa.

Does the Minister of Finance, who is responsible for regional development in Quebec, agree that maintaining space research activities in Ottawa, rather than centralizing them in Saint–Hubert, close to the space agency, favours Ontario at the expense of Quebec?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the aerospace industry employs over 32,000 people in Quebec, thanks to the federal programs in that sector. The fact is that the agency is there. It is not in Ottawa. As a Montrealer, the hon. member should know that there is a great deal of work in research and development. The agency is located in her riding. The member should be very proud of that and she should know that there is a lot of R and D being conducted, that a lot of work is being contracted out, and that many jobs were created thanks to federal activities in her riding.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, how can the minister claim that Quebec was treated fairly by the federal government regarding federal research centres, considering that these centres employ only 3,000 people in Quebec, compared to 11,000, or almost four times more, in Ontario? Is this not another good reason to vote Yes?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, Quebec's pharmaceutical industry exists thanks to federal programs. The aerospace industry exists thanks to federal programs. As for the computer industry as a whole, Quebec entrepreneurs are successful in these sectors thanks to federal programs.

If we look at R and D grants, Quebec gets over 40 per cent thanks to federal programs. The truth is that the federal government has built on the enormous capabilities of our entrepreneurs and, instead of criticizing us, the hon. member should take pride in their success.

[*English*]

FOREIGN INVESTMENT

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, billions of dollars are required to finish construction of Canada's information highway. Right now those billions of dollars are stuck at the U.S. border. The reason they are stuck there is because of archaic foreign ownership restrictions that have been upheld by the government. Even its own advisory council is asking for change.

When will the government do something for consumers instead of catering to special interests and bring that much needed investment into the country?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I am pleased that the hon. member has highlighted the importance of developing the information highway in Canada. It is important to note that it is recognized in the telecommunications area that our structure in terms of foreign investment is appropriate. They are looking at and have recommended changes in other areas.

Quite frankly we think the investment potential is here. It is a very exciting investment for the Canadian area and it is occurring with the existing rules in the area of telecommunications.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, we have heard those speeches for two years in this place. If they keep up with this kind of attitude, the information highway will become an information goat path in Canada.

Thousands of jobs are waiting to be created in the country. Why is the government stifling the creation of all those jobs, those 21st century jobs, by maintaining 19th century protectionist policies?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I am pleased to inform the hon. member that Canada's telecommunications infrastructure and programs are seen as among the leaders in the world.

● (1440)

We are moving very quickly to open up a very competitive environment. Investment in this area is increasing dramatically and the investment in research and development, which has been the particular question today, is very substantial. It looks like a bright future.

[*Translation*]

RESEARCH AND DEVELOPMENT

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, my question is directed to the Minister of Finance, responsible for regional development in Quebec.

The Prime Minister asked us to find good reasons to vote Yes in the referendum, and here is another one. Research and development is a fundamental tool for developing the economy and employment in Quebec. Ever since statistics became available, Quebec has never had its fair share of federal spending in this area.

Will the Minister of Finance, who is responsible for regional development in Quebec, admit that the federal government has done nothing in the past two years to redress a long standing injustice with respect to research and development in federal laboratories, which leaves Quebec with a meagre 15.8 per cent of the R&D budget although it represents 25 per cent of the population?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, unfortunately for the hon. member, these figures are entirely inaccurate. They are not correct.

In the past ten years, the federal government built ten new research centres in Quebec.

An hon. member: Really?

Mr. Martin (LaSalle—Émard): Yes, really. Furthermore, six research institutions were established jointly with the province. All these institutions are involved in areas that are vital to the development of Quebec and Canada: biotechnology, energy, the environment, aerospace, optics, and many more.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, no mistake, it is absolutely too good to be true.

A study released in 1992 reported and I quote: "Moreover, research and development expenditures by the federal government in Quebec must account for a fairer share than the disgraceful 13 per cent they now represent". The author of that study—the Prime Minister says Le Hir—no, no, if you just look to your left you will see the author, the Minister of Finance, who was quoted in the June 8 1992 papers as saying so. He is the author.

It was the Minister of Finance who wrote "the disgraceful 13 per cent", when he was—

An hon. member: Oh, oh.

The Speaker: I am sure that we are getting to the question right now.

Mr. Duceppe: Yes. It is far from being too good to be true, nothing has changed. Is this not, based on the words of the minister himself, a good reason to vote yes?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, that was written when we were not in government. We have made a complete change in direction since then.

Mr. Speaker, I would like to congratulate the hon. member, the one quoting Le Hir, for at last quoting someone credible.

* * *

[*English*]

REGIONAL DEVELOPMENT

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, day after day we hear Reform members criticize regional economic development especially in Atlantic Canada. I am an Atlantic Canadian and I would like to know the facts.

My question is for the minister responsible for the Atlantic Canada Opportunities Agency. Can the minister tell the House and my constituents what ACOA's success rate is, what concrete benefits it brings to the region and what is his response to the criticism from the third party?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, as the hon. member knows, the government committed itself both in the throne speech and in subsequent budgets to developing strong regional economies.

Regional development agencies by their very nature are decentralized institutions committed to working with the private sector, provincial governments, universities and other community organizations.

In Atlantic Canada, ACOA has been able to facilitate the private sector and its success rate is approximately 94 per cent.

I said to committee members that there are bound to be setbacks. There will probably be setbacks in the future, but at a success rate of 94 per cent when the federal government contributes one dollar under that particular agency it generates $4.20.

* * *

• (1445)

IPPERWASH

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the criminal element in Ipperwash has led insurance companies to declare that the whole area of Ipperwash is an area of insurrection and rebellion. The solicitor general has decided to pass the buck and lay blame at the feet of the Ontario Provincial Police.

Now the provincial police is on a heightened state of alert because of a potential land grab by militant natives at the 2,000–acre Pinery Provincial Park this Thanksgiving weekend.

Will the solicitor general declare these renegades a national security threat and deal with them immediately? When will the minister put the safety of Canadians ahead of the interests of thugs and criminals?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the matter is clearly under the jurisdiction of the Ontario provincial government through its police of local jurisdiction, the Ontario Provincial Police.

If the Ontario government through the Ontario Provincial Police feels that it needs assistance, there are recognized procedures in place to request such assistance. If a request is made it will be given very active and immediate consideration.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the solicitor general should do his job and make sure that the law is applied equally. Ipperwash is just one example of organized criminals getting out of control.

Since he does not believe it is a national security threat, how about the biker wars in Montreal and Toronto? These wars are being waged over the control of the drug trade, gun smuggling, prostitution and other contraband. The pipeline for this contraband is Akwesasne, Oka and Kanesatake.

If he does not believe this is a national security threat, will the solicitor general tell Canadians what is a national security threat, what is organized crime, and his reasons for not acting?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, under our Constitution the administration of justice is a provincial responsibility. The federal government cannot simply walk in and tell the Ontario Provincial Police or the Quebec provincial police to leave and let somebody else do their job. If they feel they need assistance there are provisions in place for that assistance to be requested and, if so, it will be responded to in a quick and effective way.

We are there to help law enforcement across the country. We want to see the laws enforced in an equitable and firm way across the country, but we are not in a position to tell, like the hon. member, that we do not think the Ontario Provincial Police or the Quebec provincial police can do its job. I am sure he should have, as a former member of a local police force, more respect for and confidence in similar police forces across the country.

[*Translation*]

RESEARCH AND DEVELOPMENT

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Natural Resources. Since the last federal election, Quebec has been awarded only 13 per cent of the research and development contracts of the Department of Natural Resources. Turning the clock back a little, Quebec has received under 10 per cent of research and development contracts for the past six years, a shortfall for the Quebec laboratory industry and Quebec researchers of tens of millions of dollars. Another good reason, Mr. Prime Minister, for a yes vote.

Because the Minister of Natural Resources has long been aware of the situation, what steps has she taken to ensure that Quebec obtains its full share of research and development contracts from her department?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me provide the hon. member this afternoon with some very good reasons why Quebecers should vote to stay in Canada.

In the Department of Natural Resources we have a substantial presence in the province of Quebec. Let me share with the hon. member some examples: our annual contribution to Forintek Canada, which recently established its eastern office in Quebec City; funding provided to the Centre canadien de fushion magnétique; the establishment of the Canadian Centre for Geomatics in Sherbrooke; and let us not forget the work done at the Varennes laboratories pertaining to energy efficiency and alternative energy.

The financial infusion of my department into Quebec is strategic and represents targeted investments that will ensure not only Quebec's long term economic future but the future of our nation.

• (1450)

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, that only amounts to 13 per cent, which is peanuts. You know very well that Quebec is being had all down the line.

The Speaker: Dear colleague, you must always address the Chair.

Mrs. Tremblay: Thank you, Mr. Speaker.

So the minister knows very well that Quebec has been had all down the line in research and development. Ten or thirteen per cent is far from our share. She could give us a long list; we would not be impressed.

My supplementary question is for the Prime Minister. Mr. Prime Minister, how do you justify—

Mr. Bouchard: No, no. "How does the Prime Minister justify"—

Mrs. Tremblay: Pardon me. I should address you, Mr. Speaker. I got it wrong. I am all mixed up today.

How does the Prime Minister justify his minister and his government's inaction in a matter in which Quebec is clearly wronged?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Natural Resources clearly showed a few minutes ago that she was not at all mixed up.

In Canada, we always try for a balance in all areas possible, but it is mathematically impossible for the proportions to be the same in each area for each province. Some provinces are smaller, some are bigger. It depends on circumstances. On the whole, however, the distribution of laboratories, research and development in Canada has been very fair. When I visit Quebec, I realize some sectors have benefited enormously from research and development in Canada. Aeronautics, as I said earlier, is concentrated in Quebec. In the Montreal region, Canadair is expanding considerably. Pratt & Whitney is another of the major specialty firms. It has gained a reputation for manufacturing engines not only in Canada, but throughout America.

So we do a lot and we will do even more in the future, that is certain, because once the situation in Canada becomes extremely stable, as it will on October 31, Canada will enjoy a new period of prosperity, and we will be able to share even more.

* * *

[*English*]

VIA RAIL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the federal government subsidizes VIA Rail to the tune of over $800,000 a day.

Last spring VIA ran a 50 per cent off special. The consequences of this action were twofold. First, privately run bus companies were forced to lay off workers due to the fact they could not compete with twice subsidized rates. Second, the Canadian taxpayer ended up paying for the 50 per cent cuts. Now VIA is at it again offering 50 per cent off rates for the winter and the fall.

My question is for the Minister of Transport. When will he do the responsible thing and put an end to this grotesque abuse of taxpayers' dollars?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the future of passenger rail in the country is certainly in doubt. When we look at what the hon. member has just suggested in terms of the overall subsidy paid to VIA Rail and to other non-VIA passenger services, we have to be extremely careful about how we will handle the very strong demand on Canadian taxpayers for a subsidy.

Surely even the hon. member would agree that since VIA is running trains on a number of corridors throughout the country we should try to keep them as full as possible and try to avoid as much of a drain as possible on Canadian taxpayers.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, once again the government is competing against the private sector and using taxpayers' dollars to do so. There is only one way to deal with the situation: privatize VIA Rail and end the squandering of public funds.

When will the Minister of Transport make the logical and ethical decision and introduce legislation that will commence the privatization of VIA Rail?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I have already indicated that as the budget called for last year Transport Canada is looking at all its activities and all areas in which we have subsidies.

I am glad to see the hon. member believes we should be eliminating subsidies. I hope he will speak to some of his colleagues who are having second thoughts about some of the subsidies that have been eliminated so far.

I assure the hon. member that we will be taking into account the need to look at the future of VIA.

• (1455)

Now that the province of Ontario, the province of Quebec and the Government of Canada have made public the report on high speed rail, we believe the time has come to look very carefully at what the future of VIA and other passenger services in the country should be. Certainly, as has been the case in the past, we will be looking at privatization as one of those options.

* * *

CUSTOMS AND EXCISE

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, my question is for the Minister of National Revenue.

Canadians expect a lot from Canada Customs in its responsibility for our international border. On the one hand we expect it to keep our streets and communities safe from smuggled guns, drugs and pornography. On the other hand we expect customs to speed the passage of tourists and goods into Canada because tourism and trade mean jobs in this country.

What is the Minister of National Revenue doing to improve service at Canada's borders?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the member is quite right that we do expect a lot from Canada Customs. Indeed it performs very well. It is one of the best customs services in the world.

Recently we worked on the accord between the President of the United States, Mr. Clinton, and the Prime Minister of Canada with respect to making the border easier for people who are regular travellers and those who pose no great risk to either country.

We have instituted a number of programs, CANPASS for the airports, CANPASS for rail and land traffic, CANPASS for boats, which allow people to get across the border substantially faster than before. At the same time it frees up resources for special teams where we feel there are areas of higher risk. It is this weeding out areas of higher risk from those of lower risk which we think will be the future of our services.

* * *

[*Translation*]

FORESTRY

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, my question is for the Minister of Natural Resources.

In a letter to the Minister of Natural Resources, a group of Quebec organizations, including the Union des municipalités du Québec, is demanding $80 million from the federal government to compensate for its complete withdrawal from the funding of the private forestry sector by April 1996.

Does the Minister of Natural Resources intend to agree to the Quebec partners' request and to compensate the thousands of Quebec forestry workers abandoned by the federal government?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, as the hon. member well knows because of his interest in the forestry sector in Quebec, it was the previous government that decided to cancel FRDA, federal–provincial forest resource development agreements. Because of the sorry state of the finances of the nation left to us by the previous government, we had no choice but to confirm that decision of the previous government. Therefore FRDA will expire across the nation as their due dates come upon us.

Let me say that because of program review my department had to reassess its priorities. The Department of Natural Resources is not a department of regional economic development. It is primarily a department of science and technology. We are working very closely with our provincial counterparts and industry to ensure the forestry sector has the science and technology base it needs to compete with the best in the world.

Point of Order

LAC BARRIÈRE

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the investigator working with the commission de la jeunesse into allegations of sexual abuse at Lac Barrière reserve is expected to present a draft report to the band today.

The total cost of this is anticipated to exceed $300,000. There is concern that the investigator will provide a copy to the band but present only a verbal whitewash to the public. A verbal report is not good enough.

Could the minister assure the House that the public will get a written report rather than the most expensive speech it has ever paid for?

The Speaker: The hon. member for Leeds—Grenville.

* * *

GUN CONTROL

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, my question is for the Minister of Justice.

The Minister of Justice must have been very encouraged when close to 300 guns of various descriptions were voluntarily turned in recently to authorities in Ottawa–Carleton in exchange for free triple A baseball tickets.

• (1500)

Would the Minister of Justice consider some similar form of gun amnesty on a national scale as a way of flushing out unused and unwanted guns in our society?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, may I first of all acknowledge the hon. member's interest in the whole area of gun amnesty. I am grateful to him for his focus on that subject.

The government is fully aware of the value a gun amnesty can provide. Unused guns for which people no longer have a purpose and illegal guns could be turned in without consequence and without questions being asked. An amnesty can only make communities safer.

I can tell the hon. member that the government is considering an amnesty coincidental with the proclamation of Bill C–68 when that occurs.

Once again I am grateful to the hon. member for raising this point again.

* * *

NUCLEAR TESTING

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the Minister of Foreign Affairs. It has to do with the fact that the Government of France has proceeded with another nuclear test in the Pacific.

Given the government's oft–stated desire to have Canada be more of a part of the Pacific rim, I wonder if the government is prepared to show solidarity with the opinions of the governments and the peoples of the Pacific rim and call in the French ambassador and tell him just how objectionable the Canadian people and the Canadian government find this continued nuclear testing.

Will the minister tell the House today not just what he is going to say but what the government is going to do about France continually flouting the opinion of the international community on this and the future of the planet?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I appreciate the view expressed by the hon. member.

The test is the second in a series of tests France has announced. I have expressed our regret on behalf of the Government of Canada. We hope that by 1996 all countries that have the capacity to have nuclear armament will cease these tests. In the meantime I believe our position is well known by the Canadian public, by the French authorities and by the public at large. I do not think the hon. member should be excited today since this was announced some time ago and we missed his first reactions when the first test took place.

* * *

POINTS OF ORDER

MEMBER FOR MARKHAM—WHITCHURCH—STOUFFVILLE

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my point of order is very brief.

We have agreed in this House to stand by your rulings. You have ruled that signs and symbols are not to be worn on the lapel. I draw to your attention the fact that the member for Markham—Whitchurch—Stouffville has such a device. Today he was even on camera when he made a statement. I think it would be correct for you to censure him.

The Speaker: I did not see the sign. I cannot see it from here.

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, the sign I am holding reads "One Canada".

We have from time to time worn a lapel symbol which shows the unity of the country. It is not advertising something. From time to time we do display our support for good causes. This sign is a sign that we believe in a united country and—

The Speaker: Colleagues, you usually leave these things to my discretion. Would you mind if I took time to have a look at this particular sign.

I would point out to hon. members that your Speaker would be hard pressed to have members who carry the identification of a member of Parliament on their lapels remove them. I would be hard pressed to have those members who wear them remove the Canadian flag pins. I would not in any way be able to indicate all possible things you could or could not wear on your lapels.

• (1505)

I have listened to the hon. member's point of order. I said that I would look at it and take it under advisement. If necessary, I will get back to the House.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

PRIVATE MEMBER'S MOTION M–4

Mr. Jim Jordan (Leeds—Grenville, Lib.): Madam Speaker, I wonder if I could have the unanimous consent of the House to withdraw my private member's Motion M–4 from the Order Paper. At this time the matter seems to be redundant. It has been a considerably long time since I submitted the motion.

I would ask for unanimous consent of the House to withdraw it.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

(Motion withdrawn.)

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COMMITTEES OF THE HOUSE

NATURAL RESOURCES

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Madam Speaker, I have the honour to present in both official languages the seventh report of the Standing Committee on Natural Resources in relation to Bill C–71, an act to amend the Explosives Act, without amendments.

[*Translation*]

MOTION M–404 WITHDRAWN

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, if you ask, I think you will find the unanimous consent of the House to withdraw Motion M–404 in the name of the hon. member for Beauport—Montmorency—Orléans and replace it with Motion M–494 in the name of the hon. member for Verchères on the Order Paper and especially on the House's priority list. I think we will have the unanimous consent of the House for this proposal.

The Acting Speaker (Mrs. Maheu): Does the hon. parliamentary secretary have the unanimous consent of the House?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): The House has heard the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion withdrawn.)

[*English*]

Mr. Milliken: Madam Speaker, just one small item in connection with that matter. Motion No. 494 in the name of the hon. member for Verchères should be transferred into the name of the hon. member for Beauport—Montmorency—Orléans. That would be part of the same order.

The Acting Speaker (Mrs. Maheu): Do we still have unanimous consent for the change?

Some hon. members: Agreed.

* * *

PETITIONS

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36 I wish to present a petition which has been circulating all across Canada. This petition has been signed by a number of Canadians from British Columbia.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically, ill or the aged.

• (1510)

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home to preschool children, the disabled, the chronically ill, or the aged.

ABORIGINAL AFFAIRS

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Madam Speaker, I have two petitions to present today.

The first petition, duly certified by the clerk of petitions, is from a group of B.C. citizens, including many in my riding of Okanagan—Shuswap, asking Parliament to stop the native land claim negotiations and to start treating native Indians exactly the same as all other Canadians.

ADAMS LAKE

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Madam Speaker, it is my sad duty to present a petition duly certified by the clerk of petitions from the residents trapped on the far side of Adams Lake where they can no longer have access to their homes safely and reliably due to government mismanagement.

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

Mrs. Bonnie Hickey (St. John's East, Lib.): Madam Speaker, pursuant to Standing Order 36, I would like to present two petitions to the House.

In the first petition, students from St. Michael's High School in Bell Island call on Parliament not to cut CIDA's funding for its public participation program.

CANADA ASSISTANCE PLAN

Mrs. Bonnie Hickey (St. John's East, Lib.): Madam Speaker, the second petition is from the Tenants' Action Association from Brophy Place, Hunt's Lane and Kelly Street in St. John's who call on Parliament to retain the Canada assistance plan in its present form.

HUMAN RIGHTS

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, consistent with Standing Order 36, I wish to present three petitions from my constituency.

The first petition asks and petitions Parliament not to amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

ASSISTED SUICIDE

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, the second petition asks Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, the third petition petitions Parliament to act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA TRANSPORTATION ACT

The House resumed consideration of the motion.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I had just started to make my remarks a few moments before two o'clock. Before I got into full flight I was interrupted for question period. I want to resume where I left off by applauding the Minister of Transport for bringing forward Bill C–101.

Bill C–101 is there to modernize Canada's transportation system. This task has not been easy to undertake but this minister is up to it. He is certainly someone who is not afraid of these challenges and of dealing with issues involving our transportation sector. Transport is one of the largest if not the largest departments of the Government of Canada.

The constituency of Glengarry—Prescott—Russell has a number of rail lines running through it. The Ottawa to Montreal CN rail line obviously runs through through Glengarry—Prescott—Russell. Perhaps I should not say obviously but virtually the only way of getting between the two cities is to travel through my riding. The train goes through such communities as Alexandria, Maxville and others between Ottawa and Montreal.

• (1515)

Some years ago I was very concerned because of a fear that CN would attempt to close down the rail line between Ottawa and Montreal.

[*Translation*]

This fear was justified as one CN document called for the closing of the rail line between the communities of Glen Robertson and Ottawa in Ontario, so that there would no longer have been a railway line for VIA passenger trains between Ottawa and Montreal, except if VIA had wanted to acquire the line abandoned by CN.

[*English*]

The second concern in my constituency was that if the line was abandoned there would not be enough interest or possibility of converting part of what was left of that line into a short line railroad.

This was particularly disconcerting at the time because we had at one point an NDP government in Ontario, although luckily we are rid of it now. I invite my colleague from Winnipeg to listen to this attentively because he will realize the damage that government was doing in Ontario.

It passed the successor rights bill. If someone wanted to start a short line railroad, if the previous company had four people doing the job—it did not matter that it only needed one to do the task in that short four, five or ten-mile piece of railroad—that person was forced to hire the amount of people who were there under the previous regime because of those so-called successor rights.

This was done probably in good faith in an attempt to protect jobs. What the government was really doing was making everybody lose their jobs because if the short line railroad was not viable, it could not be operated at all. Therefore everyone lost their employment rather than some of them keeping it.

Maybe that made sense at the time or prima facie may have made sense. Maybe it was some dictate from the socialist agenda and seemed reasonable in that respect.

In any case, there could not be a short line railroad in Ontario. The Parliamentary Secretary to the Minister of Transport, who is very knowledgeable on these issues, will be discussing this issue with the member for Winnipeg, Bird's Hill and will be briefing him and straightening him out so that he fully understands this issue. I have good reason to believe he is doing that as we speak.

The bill we have today will address a number of issues. It will address provincial running rights. It will address rail line rationalization and short line railways, as I have been discussing, rail transportation issues generally, and economic regulation regarding grain and rail. VIA Rail issues will be addressed along with mergers and acquisition, air transport and a number of other important topics related to the transport industry.

I end by expressing a note of sadness regarding one issue. I know the member for Renfrew—Nipissing—Pembroke shares my view in this. He and I have discussed this issue before.

A couple of years ago there were plans whereby CN and CP wanted to jointly own the rail line linking Coteau junction and a location in northern Ontario, the Montreal to North Bay rail line.

[*Translation*]

Now I notice that negotiations between CN and CP broke off and this joint ownership of the rail line will not come to be.

• (1520)

The reason why I am concerned about this is that, in my view, to ensure its long term viability, traffic should be increased on this particular railway line. I viewed favourably this effort on the part of the two railway companies to jointly own the line.

I am disappointed that the whole thing seems to have failed. To conclude, I urge CN and CP to combine their efforts again so that this line connecting eastern and western Canada that the people of Glengarry—Prescott—Russell benefit from can be saved in the medium term and even the long term.

[*English*]

I am pleased to have had the opportunity to participate in this debate. I ask all colleagues to support this bill.

[*Translation*]

Mr. Yves Rocheleau (Trois-Rivières, BQ): Madam Speaker, I am pleased to speak today on Bill C-101 to amend the National Transportation Act, 1987. As the member representing Trois-Rivières, I would just like to point out that our region, Trois-Rivières in particular, makes extensive use of the railway system, with the northern part of the Mauricie using the CN, and the southern part, including the city of Trois-Rivières, mainly using CP.

It is obvious that the government is trying to harmonize this legislation to draw attention to the bill to privatize CN and make its acquisition more appealing to potential buyers.

Many of the amendments in connection with the National Transportation Agency are designed to remedy regulatory deficiencies which hinder CN and CP's profitability and cause operating deficits that these companies have to absorb in order to maintain existing lines.

It may seem commendable to strive to improve on the National Transportation Agency so that both companies can become profitable, but at the same time it is dangerous to try both to achieve these objectives through more flexible regulations for operators like CN and CP and preserve the intent of the law, which is to protect public transportation. It is dangerous to change the perspective of the legislation which is intended to

foster the use of public transportation, and particularly rail transportation, for the development of people and businesses.

The role of the National Transportation Agency should be to ensure proper balance between the CN and CP monopolies, commercial users and passengers. Since this bill is only at first stage, we can assume that heated discussions will take place when it is reviewed by the transport committee, which will hear many witnesses who will debate these amendments, including railway unions, commercial users and railway companies. These groups will not all agree with the new mandate that this bill proposes for the National Transportation Agency.

In that respect, I want to mention some of the concerns that will surely be raised by various stakeholders during the hearings which will be held regarding this legislation.

First, there is the ability for shippers to call upon the National Transportation Agency to block a rail monopoly. I am referring here to the approach used by Canadian Pulp and Paper Association, but the same could apply to all shippers of raw materials, such as the mining and forest industries which, by nature, ship enormous quantities of materials, usually from remote areas located far from the main industrial centres.

The 1987 act allowed commercial users of railway companies to call upon the agency to circumvent CN and CP's excessive monopoly power. These provisions are maintained, but new hurdles will limit the ability of shipping companies to use them.

Indeed, the shipper will now have to prove that he will suffer a serious prejudice in order to convince the agency to keep CN or CP from unduly raising its prices. We are not saying that the industry should not pay its fair share for the transportation of its products. The problem is that the notion of serious prejudice is not defined in Bill C–101, thus leaving open the possibility that a shipper may resort to political or court action to win his case before the National Transportation Agency.

• (1525)

It is difficult for the industry to prove the degree to which an increase in rates would be harmful to it, and more difficult still to prove that there would be serious prejudice or material injury.

It is vital to discuss what is meant by serious prejudice; otherwise it can be anticipated that too often the decision will have to be made in the courts, after time–consuming discussions have failed.

I would also like to discuss the issue of competitiveness in remote regions. It is essential that all regions have access to a competitive and affordable rail system in Canada that will permit them to compete in the export market.

How will the new changes to the National Transportation Act allowing rail carriers to raise charges or simply discontinue unprofitable branch lines take regional economic realities into consideration by spreading operating costs over the entire system instead of dividing it up into more profitable and less profitable branch lines?

For too long now, the cost of developing remote regions has been calculated without taking into account on the positive side of the ledger the development natural resources confer to the more urbanized regions.

Here again, the concept of serious prejudice might be sustained provided it is given a fairly precise definition in order to prevent rail rates from being raised, thus cancelling out the profitability of industries dependent on this mode of transportation, without any consideration of the wages earned by workers in these industries.

Another provision, which will probably raise questions, deals with agency membership. The bill proposes to cut from nine to three the number of members of the National Transportation Agency. This reduction could lead to a lack of understanding of regional issues across Canada and, in turn, to a misappreciation of any significant risk that shippers may be at a disadvantage because of the monopoly enjoyed by CN and CP.

It will be more difficult for shippers to draw attention to their needs and their regions if the agency is composed of three members instead of nine. Listening to witnesses at the hearings held by the Standing Committee on Transport will surely help us strike a balance between a reduced agency of three members and an expanded agency of nine members.

My comments will also deal with the establishment of short–line railways. The financial difficulties experienced by CN and CP in recent years have led to the recent establishment of short–line railways.

Since these small organizations enjoy higher profits, smaller management and fewer constraints in the distribution of work through their collective agreements, we will see more and more of them. Unfortunately, the phrase "short line railway" is not defined anywhere in this bill. Furthermore, in many clauses of this bill, it is unclear whether short line railway operators should be regarded as railway operators or simply as shippers.

Clauses 130 through 137 of this bill concern the identification of competitive lines. In the past, railway operators had their own systems and, already, the two antagonists do not like the idea of using the lines of their competition in return for fair compensation.

Public interest requires better co–operation in the management of CN and CP. For example, CP could pay a price to use CN's tracks, and vice versa, without the tracks' owners being able to prevent such an arrangement.

This would promote free competition, while also giving a more accurate idea of the actual costs of transportation in a particular region.

Since my time is running out, I will immediately move on to the issue of regional development. In the past, under the act governing the agency, railway companies wanting to close or abandon a line had to comply with an elaborate process. Now, these companies will only have to announce their intention to dispose of a line.

• (1530)

The new process to transfer and discontinue the operation of railway lines will be very quick: a 60-day notice, a 15-day period for each level of authority, for a maximum of 105 days. This time frame will allow railway companies to dispose of their lines very quickly, without having to justify their decision on either economic grounds or grounds of public interest.

However, this new transfer and discontinuation process hardly encourages the establishment of short line railways. It is difficult if not impossible to find a potential buyer in just 60 days. Quebec, and the same goes for any other province, will have only 15 days to decide whether to buy a line and continue to provide the existing service to the public.

I can only hope that this time the government will have the vision it has been lacking so far and think in terms of the future, including the interests of Quebec. In this case, as in others, we find no reasons to vote no but many reasons to vote yes, and I hope Quebecers realize this.

[*English*]

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Madam Speaker, it is interesting to notice how the members of the Bloc Quebecois are using every opportunity in the House of Commons to make the point about why they think their fellow citizens in Quebec should vote yes in the coming referendum. I was interested in question period today when they were going on and on about alleged injustices to Quebec. It struck me that if the people of Quebec vote yes they are going to have a heck of a lot less of what the Bloc Quebecois was complaining they were not getting enough of.

The same is true with respect to transportation matters. I heard people in the Bloc refer today to the privatization of CN. I can say with some certainty that if there is a yes vote in Quebec the provision in Bill C–89 guaranteeing that the headquarters of this new privatized CN will be in Montreal will not continue very long past a yes vote. At least if I have anything to do with it, it will not. I imagine that would be true for a lot of western Canadians, particularly people I represent, who from the very beginning felt that if CN was to be restructured in such a radical way, the headquarters of CN should be in western Canada, in particular in Winnipeg, because most of the traffic this new privatized CN will be directing will be in western Canada. This is just by way of making that point to the Bloc.

There are two things I want to get on the record with respect to Bill C–101. I do not think I have to tell anyone in the House that I am in general opposed to the overall agenda of the government with respect to Bill C–101, the privatization of CN, the deregulation of the transportation system, going back to fights we had in the House against the former transport minister, Don Mazankowski, and going back before that.

Sometimes people tend to forget, in particular people in Winnipeg, that this deregulation business really started under a former Liberal Minister of Transport, now the Minister of Human Resources Development. There is a tendency to blame the origins of this agenda on the Conservatives when it goes back beyond that to this fascination the then Minister of Transport, the member for Winnipeg South Centre, had with deregulation at that time, prior to the defeat of the Trudeau government.

I was interested to hear some of the things members said. The point I want to make here, and I do not think it has been made to this point, at least not to my satisfaction, is the process by which we are doing this, if I understand the origins of this procedure by which we refer matters to committee before second reading.

I had a lot to do with parliamentary reform in previous Parliaments and we considered this at one point. The goal of that procedure as it was first imagined was it would be applied to bills of a non–partisan nature. It would not be available to the government alone. It could only be done with some kind of agreement in the House and therefore it would be a mechanism whereby parties could say this is a bill they do not really have much to fight about in, so they want to take it into committee and go over the details.

• (1535)

I have noticed something that may be related to the fact that this procedure was adopted, I believe, after the beginning of this new Parliament when the government only had to deal with rookies on the opposition side in committee. This has now become a procedure available to the government whenever it wants to use it, not something that requires a certain amount of co–operation on the part of the opposition. In my judgment, this goes against the spirit of the reform intent. When I say reform I do not mean Reform Party, but reform in the best sense of the word, reform of the House of Commons. This procedure has become a kind of a fast track procedure. In my judgment it is not being used for the intention for which it was originally designed.

We have here a massive bill which represents a major reorientation of the way transportation decisions are made with respect to rail line abandonment, the creation of short line railways, relationships between shippers and the railway companies, a whole host of things, all of which deserve a major second reading debate. We are reconceptualizing the transportation system of the country. We should be having a debate about that, in which I would want to argue very strongly and at length, hopefully being open to questions from colleagues in the House.

Instead we have this very prescribed, circumscribed three-hour debate in which people have only ten-minute speeches, after which the whole thing is whisked off to committee. There is never really any significant debate on the principle of the bill. That is fine if there is agreement to do so and if it is the kind of legislation that lends itself to that procedure.

With respect to my Bloc and Reform colleagues, they let the government get away with something when they agreed to move ahead with this kind of procedure. They allowed it to go into the standing orders without the kinds of safeguards that should have been required. There should have been some provision that there had to be opposition agreement in order for this procedure to be followed. I believe their inexperience did not stand them in very good stead in that respect.

I want to register once more my opposition to this bill. My opposition has been longstanding to an agenda of which this bill is the latest stage. I know my Reform colleagues were saying earlier that it does not go far enough, that it should be absolute, utter I suppose, comprehensive, total deregulation. However, I think deregulation has not served the country particularly well. It certainly has not served the transportation system very well. It certainly has not served my constituents very well, those who work at the railway and others, and the economic spin-off that used to exist in Winnipeg as a result of the presence of railway jobs there.

A couple of weeks ago another 266 people were laid off in the CN shops in Transcona. This is a far cry from the kinds of promises made during the 1993 election campaign by members opposite about how the many terrible things that were happening under the Tories would cease if only a Liberal government were elected: NAFTA would not go through, Winnipeg would be returned to its former glory as a transportation centre, rail jobs would return from Montreal and Edmonton, and no one would ever be laid off again. That is not the way it has turned out. We have a Liberal government doing what no Conservative government ever contemplated in public, privatizing CN Rail and devastating the community I come from.

We see here an intention on the part of the government and the railway together to basically dismantle CN Rail as we have known it and to have basically tracks and trains, that is it. Maintenance, repair, stores and all kinds of other things the railway used to do for itself will all be contracted out, pieced off here, there and everywhere. As a result a lot more good paying jobs will be lost. In the end this is also about good paying jobs. It is not just about railways.

• (1540)

I listened earlier to the member for Glengarry—Prescott—Russell, the government whip, talking about the impediment to short line railways. One of the reasons for successor rights was to make sure that short line railways are not used as a way of union busting, are not used as a way of laying people off and then hiring them back at half of what they used to make. I do not think that is such a bad sentiment. I do not think that is something for which the NDP government in Ontario or anywhere else should have to apologize.

Those good paying jobs are disappearing. I do not think that is good for Canada. It is not good for the middle class, which is being eroded at both ends. It is not good for the revenues of the government. It is part of the reason we have a deficit, because a lot of the good paying jobs are going, and with them the ability to pay the kind of income tax that would help pay off the deficit.

Mr. Reg Alcock (Winnipeg South, Lib.): Madam Speaker, it is always a joy to rise in the House and follow the member for Winnipeg—Birds Hill. Excuse me, it is Winnipeg Transcona; I apologize for that. I would not want to confuse him with the member for Birds Hill, who is a Liberal and represents his constituents very ably and helps them understand the needs of doing business in the 20th century and not the 19th century, as the member for Winnipeg Transcona does.

It is passing strange to me how the NDP, once a leader in social justice, has become a conservative party, simply refusing to accept any kind of change or acknowledge that any kind of improvement should take place anywhere, anytime.

Like the previous member, I want to briefly comment on the process. I am delighted that the government has chosen to go this route with this bill. I am astounded at the remarks from the Reform Party, which seems to be opposed to this.

In this Parliament since the new government arrived in 1993, we changed the rules of the House in a manner that allows the people of Canada to participate in important debates on public policy prior to the government's making up its mind finally on a piece of legislation. It is an opening up and an inviting into the process, rather than a fast tracking, as the member for Winnipeg Transcona would have us believe.

I think the minister has done a great deal in a very short period of time to deal with the regulatory burden that has been imposed on the country, some of it for good reasons and some of it perhaps we have outgrown. I think we owe the minister a vote of thanks for allowing this debate to take place in this fashion and for steering this debate.

We have the member for Hamilton West, the chair of the transportation committee, well known to the House and very experienced on these matters. I am assured he will give people right across the country an opportunity to come before the committee and put on the table their issues on this very important matter.

The parliamentary secretary, the member for London East, has been working tirelessly to see that members of the House are informed on this issue and are responding to issues that have been raised by constituents right across the country.

I want to comment on an earlier change this minister has brought in, the changes in the WGTA, which represented a stepping back from subsidy and regulation on the part of the government. Two days ago in my home town of Winnipeg there was an announcement by Schneider's that it will open a very large, two million hogs a year, meat processing plant. At last we are doing what western Canadians have been calling for for a long time. We are taking the false subsidies out of the rate structure and we are allowing the development of secondary processing in the prairies, where it should have been for a long time. We are all very pleased about that, and we are pleased it is this government that finally has the courage to challenge the burden that has been imposed by regulation.

I am not saying all regulation is wrong; it is not. Whenever there are imperfect markets, whenever monopolies exist or whenever the public good needs to be protected, there is a need for government to act in a manner that attempts to level the playing field between competing interests. That is what this is all about.

The government has said that while it has owned the CNR it has imposed burdens on the railway for reasons other than the commercial interests of the railway. In an environment where change is taking place so rapidly now and where there has been such a tremendous evolution in transportation, it is time to revisit that. It is time to ask whether these regulations are serving the purpose for which they were intended.

• (1545)

As chair of the western and northern caucus I can tell the House that we take great interest in the particular matter. Transportation is vital to all regions of Canada, but nowhere is that seen as vividly as it is in western Canada with its tremendous distances and sparse populations.

In addressing Bill C–101 this afternoon I cannot emphasize too strongly the importance of rail transportation to western and northern Canada. Commodities such as coal, sulphur, grain and petrochemicals must be shipped substantial distances from points of origin in western and northern Canada to markets around the globe. For most of these movements highway transportation does not present an effective competitive alternative to rail transportation and inland water transport is non–existent. For the great majority of the transportation requirements of western Canadian industry rail is the only realistic way of accessing export markets.

Canadian railways rely heavily on resource based products for their revenues. Intermodal traffic handled by the railways is highly truck competitive and has limited profitability. The eastern Canadian operations of the railways by their own public statements have not been profitable in recent years. Railways accordingly look for their profitability to the resource based industries of western Canada. It is essential that we do not endeavour to solve the financial problems of railways by creating a bigger problem, namely to give railways greater leverage to increase freight rates in western Canada and thereby impair the ability of western Canadian industry to compete on a long term basis in world markets.

There is widespread agreement on the need for railway reform in the country. Railways are burdened with excess track and impediments to productivity improvements. Bill C–101 will permit CN and CP to sell or abandon unprofitable trackage without regulatory intervention and will encourage lower cost short line railway operations to be developed. We believe this makes good economic sense and the legislation is to be commended for enabling railways to become more cost efficient.

There is widespread agreement in the House that the encouragement of a competitive railway environment in Canada is the best way to achieve efficient and cost effective rail service. This, however, is not achieved by complete deregulation as some would allege because there are many industries in western Canada that are essentially captive to rail transportation.

Railway regulation has historically served a different purpose than the regulation of other modes of transport. Trucking regulation restricted available trucking services and limited the freedom of choice of consumers. The deregulation of that industry had a pro–competitive result.

Railway regulation has served a different purpose. It protects captive shippers against the excessive monopoly power of the railways. Legislative provisions which give competitive options to railway customers promote competition. It is the stated policy of the government that those provisions, called the shipper relief provisions, will remain untouched in the present legislation. We are in full agreement with that approach.

I do have grave concerns, however, with certain sections of the proposed legislation that will make it more difficult for railway customers to obtain access to the Canadian transportation agency should the need arise. These barriers to agency access are counterproductive to a competitive railway environment and are unnecessary based on the experience of the last eight years.

The shipper relief provisions have been used by railway customers on only a handful of occasions. Their principal benefit has been to provide railway customers with some bargaining leverage in negotiating rates and service agreements with the railways. In this regard they have been particularly successful, as virtually thousands of rate and service agreements have been entered into between rail carriers and their customers and only when agreements could not be reached has recourse to the agency been required. Accordingly there is no need to construct barriers or fences to prevent their continued utilization. This will only have the effect of impairing their efficiency and making it more difficult for commercial arrangements to be concluded.

Section 113 of the proposed legislation provides that all rates set by the agency must be commercially fair and reasonable, while as a general principle no one could reasonably argue that rates should not be commercially fair and reasonable. The problem is that there is no definition of what is commercially fair and reasonable in the current bill.

Subsection 34(1) will enable the agency to order the payment of compensation for any loss or delay as a result of a proceeding which is found to be frivolous or vexatious. While this again does not appear to be unreasonable on the face of it, I am not aware of any pressing reason for its inclusion in the legislation. There is no history of frivolous or vexatious applications being filed with the agency and should a proceeding be initiated the agency has the jurisdiction to assess costs against an offending party.

• (1550)

I am concerned that this provision could operate as a deterrent to a railway customer who has a valid proceeding to advance before the agency. The chilling effect of a large damage award, should the application be unsuccessful, could well cause a railway customer not to proceed with a valid application.

A further area which I know the committee will consider concerns the running rights provisions. The provision to allow railways to sell or abandon lines will lead to, it is hoped by many, the creation of a great many short line railways. Absent the right to run as was originally proposed to the first competitive interchange where they can receive two bids for their cost of transportation and short line railways will remain captive in a less free environment than they currently have.

I appreciate very much the opportunity to speak on the bill. I know the committee will take the time to hear from many Canadians who are very concerned as we move to a new environment for rail transportation in the country.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, I rise today on behalf of the constituents of Okanagan—Similkameen—Merritt to voice our complete agreement with the assessment of Bill C–101 as stated by my Reform Party colleague from Kootenay West—Revelstoke.

During the last election campaign the Liberals outlined in their infamous red book how they were to do business differently. Does the House remember that? They could hardly control themselves describing how they would do business differently once they seized the reins of power.

The Deputy Prime Minister was so reckless as to claim the Liberals would replace the goods and services tax within a year of coming into power or she would resign. The GST is alive and well and the Deputy Prime Minister shows no signs whatsoever of voluntarily resigning her seat as she promised to do. Is this what Canadians are supposed to buy as doing business differently?

My constituents are asking: "Different from what?" This type of shenanigans is the same as the shenanigans of the Mulroney government. They are all doing business differently and we all know what the people did with Mr. Mulroney's party and its way of doing business differently.

What are we looking for? What are we looking at? We are looking at failed promises. The Liberals promised major changes to the MP pension plan. They gave us minor changes which do not reflect private sector pension plan standards.

The Liberals promised they would empower individual members of Parliament through an increase in the use of free votes. My goodness, free votes in the House of Commons. The Liberals have reneged on that promise by enforcing a heavy handed control of voting on their own party members.

The point I am leading to is simple. In the view of the motion being forwarded by the government at this time, there is no way we on this side of the House can trust the Liberal government. Neither should the Canadian public. The Reform Party's transport critic is quite right in the stand he has taken. British Columbians rely on railway transportation. B.C. has relied on railway transportation since the time of Confederation. Mining and forestry constitute a substantial portion of the economy in British Columbia.

We have contacted many companies in British Columbia respecting the bill. Our solicitations for input have caused an avalanche of information to flow to our offices. Detailed amendments to the bill keep coming in from many industry sources. All these companies make it very clear they feel strongly that Bill C–101 is vital to maintain and enhance competition in Canadian railways.

• (1555)

However there exists a danger that the Liberals intend to use the bill as a baby step in the right direction. Canadian railways are infected with exorbitant taxes and regulations which have created an unlevel playing field between us and our major trading partner. If there is anything the federal government can do to improve Canada's competitive advantage in terms of land transportation policies, these companies would have us do it.

We all agree that the major accomplishment of Bill C–101 of establishing a clear redefined process for line abandonment is desirable. This would enable railways to establish short line routes to be governed under provincial legislation.

The major flaw in the bill is that the free market is prevented from establishing prices. The Liberals intended the railways to continue to be treated as a service rather than as a business. They will continue through the bill to allow the transportation agency to regulate prices.

The Liberals are once again attempting to use policy as a means of regional development. It is a shame. Canadian businesses are sick and tired of this treatment being used on policy which affects their livelihood. The bill gives cabinet the authority to decide which rail lines will be abandoned in the next few years.

The Liberals are sealing their exclusive right to use these abandonments as policy footballs in their pre–election campaign. There is no reason for the bill to be sent to the committee directly following first reading.

Such a move is only convenient to the Liberal political agenda. We on this side of the House have seen many times in the past what this kind of request from the government benches really means. The Liberals would have us believe that this manoeuvre is another example of doing business differently, using the Grits terms. However we know differently. The Liberals are only interested in facilitating CN's share offering due this fall.

The Liberals are circumventing access to the committee hearings. The committee, suffering from a bad case of Liberal dictatorship, has already affixed arbitrary deadlines for submissions from stakeholders.

These deadlines were adopted by the committee as a result of the domination of Liberal Party membership on the committee. We all know what happens to Liberal Party members who do not vote the way of the Liberal Party intelligentsia or the way they are told to vote. We have seen it before in the House.

On this side of the House we know that the committee has received numerous submissions over the summer. We also know that the committee promised to circulate the submissions so that all hon. members could take them into consideration.

Finally we know that none of the submissions have been circulated. We know that the Liberals are doing business differently. I remember the last government. I cannot see the difference. Do you see the difference, Mr. Speaker?

Here is the different way of doing business that Canadians are seeing. Bill C–89 and Bill C–91 were fast tracked through this place by the Liberals. At that time the Liberals said that it would provide a more amendable process or something like that. Both those legislative proposals were passed without a single amendment. That is doing business differently. They do not allow any amendments whatsoever. It would be laughable if it did not concern important legislation regarding the interest of Canadian stakeholders.

I strongly urge the House not to vote for Bill C–101 which requires due process. Let us make sure this piece of legislation gets the due process this place should give it.

• (1600)

The Speaker: I would point out to hon. members that the Speaker, as a rule, does not answer questions. I know hon. members will know that.

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I intend to share my 10 minutes with my colleague from Souris—Moose Mountain.

The Reform Party insists on dealing with only the process and not the content of Bill C–101. From our perspective here on the government side, we feel we are complying with the new rule changes that were initiated by the government. We intend to fulfil those changes.

Bill C–101 has had some interesting background. It attempts to reduce the National Transportation Agency to some degree, from a full complement of nine members down to three full time and three part time. We are also hoping to reduce the number of employees within that agency from 500 down to 200. We feel this is a move that will initiate and respect our drive for efficiencies within the system.

The structure of the rail industry in particular and the laws that regulate it hark back to a time when Canada was a self–contained internal market. That time has passed. Canada's growth and the opportunities of our people now depend on the ability of our industries to embrace and meet the needs of global markets. Rail transportation is strategically important for our exporters as the means that will keep us in those markets. A viable rail industry, one that can attract new capital and one that is sensitive to shippers' needs, is crucial.

For many years the focus of the law has been on the network of the two large railways and ways to prevent these two companies from changing this network. The law was seen as a mechanism to prevent abandonment and also to reduce service. The focus was not on alternative ways to deliver local rail service.

As I read this bill, I am sensing that there are provisions whereby rail abandonment, if it does occur, will be done on a much different basis. There will be respect for the fact that the economics of abandonment must be addressed and that there must have been efforts put in place by the two major lines to actually show that they have attempted to sell such railways in terms of setting up short lines.

The Canada transportation act encourages these main lines to restructure in a way that promotes the establishment of new rail initiatives and alternative short lines. In the future the law will set in place a process that will allow private sector interests or regional officials to intercede to take over lines they consider important for regional rail transportation.

The framework under the new Canada transportation act sees our rail industry and its future viability as crucial for long term growth. It also encourages new participation at the local and regional level to preserve rail service.

The Canada transportation act is good for Canada because it reflects what a modern Canada needs. It is a framework law that recognizes the global nature of markets and the strategic importance of transportation, particularly rail transportation.

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, I was one of the nine members of Parliament who voted in opposition to Bill C–68. I want to go on the record here today as indicating to the House that there was no action taken against any of us for the position we took relative to that vote some time ago. Maybe that will clarify the minds of some of the members of the Reform Party who said that we were going to be held in some disdain for the stands we took. Such was not the case.

With regard to the bill before us today, the federal government is committed to a safe, efficient, affordable, and competitive transportation system for Canada. This legislation is part of the modernization process that is already under way.

• (1605)

The constituents in my riding welcome a modernization and an increase in efficiency in the system. They have a lot at stake in this legislation. The entire riding's economy rises and falls on the relative wellness of the grain industry. Many changes have taken place in the grain farming industry in the past year. There is a period of very dramatic adjustment that our farming community is embracing and dealing with at this moment. The Canada transportation act is one more adjustment. Hence, we must be very careful as we proceed.

I am concerned about short line rails in the expansion. I am concerned about shippers so that they have some degree of knowledge that they are going to be protected and that their rights are preserved in this new competitive arrangement under the new act. That is why I am pleased that this bill is now being referred to committee. This will give the committee and the public ample opportunity to review and debate the merits of each of the aspects of the bill.

In my riding there are many groups with very good ideas, constructive criticisms, and suggestions for changing and fine-tuning on this bill. They want to look at these very carefully and consider the impact of the bill for the long term. This can take place on a detailed level in committee.

I know that this bill addresses the entire spectrum of transportation issues, from rail to air to marine. In particular, my concern is the modernization and increased efficiencies of the rail sector. The legislation cuts red tape and eliminates administrative costs. It restricts government involvement in the day to day affairs of the rail industry.

Rail is the most highly regulated mode of transport in Canada. The act reduces the number of actions that require regulatory agency involvement from almost 200 to 40. This is in line with the federal government's commitment to streamline operations, eliminate duplication, and improve the way we deliver service.

The legislation makes it easier for short line operators to take over lines by making the process more commercially oriented, less adversarial, and more conducive to the sale or lease of surplus lines to newcomers.

The legislation also contains details to preserve shipper rights and protections. There is a lot of heated debate in this area. This is what our government wants to hear. We want those people affected by these changes to come forward at the committee stage and contribute to the final version of the bill.

The CTA is one more step the government has taken toward the modernizing of Canada's transport sector. It enables Canada and Canadian businesses to compete in the 21st century. That, along with our concern for the actions of the agriculture sector, can contribute to a more sufficient and efficient system that is foremost in the world.

The Speaker: Is the House ready for the question?

Some hon. members: Question.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Speaker: Call in the members.

And the bells having rung:

The Speaker: Pursuant to Standing Order 45(5)(a), the division on the question now before the House stands deferred until 6 p.m. today, at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

• (1610)

REGULATIONS ACT

On the Order: Government Orders:

April 26, 1995—The Minister of Justice—Second reading and reference to the Standing Committee on Justice and Legal Affairs of Bill C–84, an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) Mr. Speaker, I move:

That Bill C–84, an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts, be referred forthwith to the Standing Committee on Justice and Legal Affairs following first reading, pursuant to Standing Order 73(1).

He said: Mr. Speaker, Bill C–84, which is intended as a new regulations act, should go to the committee, and members should have the opportunity, before the House decides in principle on this approach to regulation, to discuss its terms.

It may seem that the legislation that governs the making of regulations in government is a technical or a dry subject, but in fact it will surprise some of the members to know that indeed there is a great deal of interest in this subject. There is a great deal of interest among Canadians because that process, the process by which subordinate legislation is made, has a direct effect on the way business is done in this country, on the productivity, on the competitiveness of business.

This proposed legislation is intended to increase the productivity and the competitiveness of our economy, which this government believes it will do.

I also observe this motion and the regulations act, which is being sent to committee after first reading, is another good example of the value of Standing Order 73(1) of the House of Commons, which was sponsored by my hon. colleague the House leader at the opening of this Parliament.

The new regulations act to which I speak today is intended to replace the Statutory Instruments Act, which for almost 25 years now has governed the Canadian system of making regulations. Bill C–84 offers important improvements to that outdated piece of legislation, intending to streamline and reduce delays in the process by which regulations are made at the federal level in Canada.

The legislative reform is an important part of the regulatory reform, part of the innovative economy initiative of my colleague, the Minister of Industry. This legislation is intended to support the bold, innovative, imaginative measures he is taking to strengthen Canada's economy.

There can be no doubt about the need for change in the process by which regulations are made. Problems are created by the current regulatory process. They have been identified many times in the past. There have been repeated calls for legislative improvements, most recently during the government–wide regulatory reviews of 1992–93.

Permit me to touch on some of the key elements of this bill. First, it is intended to provide a simpler and more principled definition of what a regulation is in modern government so that the scope of the act will be more clearly understood, so that its application will be more readily determined.

Second, an effort has been made in drafting Bill C–84 to use plainer language, to more directly communicate its meaning to those persons who use it and who invoke the process.

Third, the statute divides regulatory documents into different categories and provides for different kinds of review, depending upon what category a document falls into.

• (1615)

Fourth, it provides for a revised exemption power that will now be subject to an express public interest consideration.

Fifth, Bill C–84 codifies and I believe clarifies the law by expressly authorizing incorporation by reference, whether on international or other standards that are intended to be included in Canadian regulations, always subject to an express requirement that whatever is incorporated by reference should be made readily accessible to members of the public or any other interested party who wishes to have them.

Sixth, Bill C–84 contemplates a modernized process allowing for the creation of an electronic registry of regulations while at the same time maintaining government accountability for regulations through parliamentary scrutiny.

[*Translation*]

We know that in order to reform the Statutory Instruments Act, a balance must be struck between the interests of the various stakeholders. The new legislation is to streamline and expedite the making of regulations. Yet, this will be done without overlooking the requirement for advance notification, public representations and a thorough parliamentary scrutiny of any related mandatory legislation.

That is why I believe it is important to note that the changes sought by the Regulations Act are, for the most part, material amendments that leave the essence of the current process unchanged. These amendments are designed to remove ambiguities, simplify steps as required and generally modernize the regulatory process.

But first and foremost the purpose of the new Regulations Act is to maintain and strengthen the objectives and basic principles of the Statutory Instruments Act, which contains the legal safeguards required to make binding regulations. These objectives include the rule of law, transparency, the publication of regulations and the monitoring of the executive by Parliament as part of its legislative power.

[*English*]

While the Statutory Instruments Act has generally served Canadians well over the last two decades, over time the regulatory process has come to be viewed both inside and beyond government as an impediment to the timely and efficient making and repeal of federal regulations. The current operation of the Statutory Instruments Act makes it difficult for federal regulators to respond in a timely manner to changing needs with new and improved regulations because the regulatory process is too cumbersome and time consuming. This is of concern to all Canadians, particularly Canadian business because these regimes are not well tailored to evolving circumstances.

Unnecessary delays in modernizing and improving regulatory schemes can also reduce our ability to respond quickly and effectively to new developments in areas such as health and safety, environmental regulation, international trade or federal–provincial relations. Outdated and inappropriate regulatory schemes can also undermine respect for the law, economic growth and competitiveness. They can also complicate the working relationship between the government and the private sector.

We believe that the new act will improve the capacity of government to respond quickly and effectively to changing circumstances, reduce the overall volume of regulations and provide for an expedited process. It will allow us to incorporate important documents by reference. It will do all of that without reducing the role of Parliament in overseeing government as it makes subordinate law.

In moving today that this proposed statute now go to committee for consideration, I express the government's conviction that it represents a significant improvement in Canadian law. I know it will receive the usual balanced and insightful commentary from my colleagues in other parties. I look forward enthusiastically to my own involvement in that important process.

• (1620)

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I am pleased to rise today to speak on Bill C–84.

First of all, let me say that this bill will effect changes in more than 60 acts or bills currently before this House. Its passage will therefore have a very major impact on federal legislation.

Bill C–84 seeks to replace the old Statutory Instruments Act with a new Regulations Act completely consolidated and revised. Like the act it seeks to replace, the bill sets out the principles and administrative procedures that will govern the four steps involved in drafting new regulations: preparation, passage, enactment and publication of regulations passed under federal statutes.

The bill also confirms the reviewing power of the Standing Joint Committee for the Scrutiny of Regulations, ensures better control by Parliament and maintains governmental responsibility over the regulatory process.

In short, Bill C–84 provides, first, a simpler definition of "regulation", second, an expedited process for regulations that do not require legal review, third, a revision of the bases for exempting regulations from the regulatory process, and, fourth, a modernization of the regulatory process by providing for consultation, registration and publication by electronic means.

Bill C–84 therefore aims at modernizing the current act and correcting the problems encountered with the present regulatory process.

I will now review some major items in Bill C–84 that I find very important. First of all, the definition of "regulation" is simpler and more principled than the current term "statutory instruments" found in Section 2. This legislation also specifies that regulations also include all kinds of lists and guidelines, putting an end to an ambiguity in the current act.

It seems also that publication by electronic means will shortly become an addition to regular printing of the *Canada Gazette*, but it might be possible for the government to eliminate the printed copy of the *Canada Gazette* by publishing only by electronic means.

In this case, why not include a reference to the printing, even though that might involve limited editions? Bill C–84 eliminates the requirement of printing a specific number of copies of regulations during the regulatory process, allowing for substantial savings, even in the absence of electronic means.

One can only wonder why goals in the areas of security, health and the environment are specifically mentioned like in Bill C–62. Is it yet another backhanded way of intruding into provincial jurisdictions? Criteria concerning the use of this exemption power of the governor in council are not crystal clear.

Why not extend the prohibition in clause 64 concerning the Defence Production Act to other federal statutes with a significant impact on health and the environment such as big economic development projects like pipelines, Hibernia, nuclear plants and so on? To be able to answer that question, we need to have the complete list of exempted regulations and of other regulations that could be exempted later on if Bill C–84 is passed.

It also seems unthinkable that clause 11(4) should provide that no regulation is invalid because it was not published. We need more openness in this government. Regulations have force of law and should always be published in the *Canada Gazette*. This bill does provide that no penalty can be imposed for a violation of unpublished regulations. We think that people in Canada and Quebec have the absolute right to know which regulations are in force. Why make regulations if there is no penalty when they are disobeyed?

Sometimes, groups or businesses will only find out about regulations when the quarterly index is published.

As a matter of fact, this bill introduces a publication and distribution system for regulations that can be tailored to fit every single case. Clause 15 should simply be dropped, in our opinion.

This new regulatory process would allow the federal government to withdraw gradually from regulating certain industries through the incorporation by reference of private or international standards.

• (1625)

Clause 16(5) provides that an amendment made by a business or a foreign government could have force of law in Canada as soon as it is announced. This in spite of the fact that the amendment is not published as a regulation in *The Canada Gazette* or in both official languages, particularly in French where American standards are concerned. Considering the context of free trade in North America and eventually in both Americas, this may jeopardize the position of the French language.

The purpose of having a regulation incorporate material by reference is twofold. First of all, to remove the requirement for the federal government to regulate every aspect of the sector concerned. Second, to take advantage of the expertise of Canadian, American and international organizations that set standards which, sooner or later, will have to be adopted by Canadian industry. In fact, industry is being asked to regulate itself. Incorporation by reference means that standards can be updated directly by the agencies or governments concerned, while the federal government in Canada is not obliged to adopt them.

This "privatization" and "internationalization" of business and industrial regulations, probably on the basis of American and international standards, opens the door to the adoption of standards that are drafted exclusively in English.

Even if the code is available in French, in accordance with clause 16(2), what assurance do we have that subsequent amendments will be published in French by the American association or, simultaneously, by the Canadian regulatory authority? Clause 17 on accessibility is not, in our view, a sufficient guarantee in this regard.

It is possible to conclude that a number of documents incorporated by reference in a regulation with force of law in Canada will be neither published nor available in French from the regulatory authority. Will Quebecers have access to regulations wholly in French only after Quebec attains sovereignty? One must wonder.

We are also proposing an amendment to clause 25 in the form of a new paragraph (3) requiring the government to submit the draft regulations to the regulatory committee at the same time as it tables its bills in the House of Commons.

Also, subparagraph 26(*g*)(i) authorizing the making of secret regulations concerning the conduct of federal–provincial affairs must be struck out. Bill C–84 is suggesting here that provinces, like foreign countries, are enemies of the federal government. This same precaution probably does not even exist in European legislation for the Fifteen.

How can an atmosphere of harmony, consensus and co–operation between federal and provincial governments be created when even regulations call for secrecy in federal–provincial affairs? Is such a clause necessary in international relations today? We feel that the defence of Canada is the only part of 26(*g*) fully justified today.

Bill C–84 uses the French expression "autorité réglementante" and there is no such word in French as "réglementante". The expression that should be used instead is "autorité réglementaire" to designate the institutions, departments, organizations and commissions with regulatory authority, in keeping with the definition found in the 1990 edition of *Trésor de la langue française*.

In conclusion, we agree that Bill C–84 is modernizing the existing regulatory process provided by the Regulations Act and deserves our support, but let us support it only after the government has adopted the many amendments we have mentioned today.

[*English*]

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I welcome the opportunity to join in debate with my colleagues on Bill C–84. This is not a discussion on criminology so it will be a nice articulation of the points today.

Bill C–84 is an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts.

Mr. O'Reilly: He is a legend in his own mind.

Mr. White (Fraser Valley West): Why is it, Mr. Speaker, that I cannot stand up in the House—

• (1630)

The Speaker: After hearing those opening remarks, I had to check to see it was really the member for Fraser Valley West. I invite him to debate.

Mr. Simmons: He has your number.

Mr. White (Fraser Valley West): Mr. Speaker, it is pretty bad when even the Speaker has your number.

It is the Reform Party's intention to oppose this bill, not because of the legislative intent of the bill, but instead we oppose the bill because of what we feel are substantive flaws in the act put forward by the Minister of Justice. In addition, there is equal weight in our opposition to this document because of clauses which are not in this act.

Make no mistake, Reform members on this side of the House are just as intent to see that the regulatory process in Canada functions in an efficient manner. Clearly this bill constitutes the other half of the government's effort at regulatory reform.

In fairness and in stark contrast with the conclusions reached concerning Bill C–62, the government has put forward a bill which attempts to tidy up the regulatory process and replace the Statutory Instruments Act. Yet for the reasons which follow, this initiative, like so many others in the Liberal red book, is long on promise and short on substance.

This act should have been forwarded to the Standing Joint Committee for the Scrutiny of Regulations and not, as has been done, to another government operations committee. You need not take my word for it. It should be self–evident to even the most partisan of members that the words "parliamentary scrutiny of regulations" contained in the act's title should have made referral academic. The hon. government member from Scarborough—Rouge River said as much in committee on May 18.

My esteemed colleagues on the government side of the House might argue that no precedent or provision exists for such a referral. However, in a letter from the committee clerk to members of the scrutiny of regulations committee there are indeed well documented procedures. In addition, Standing Order 73(1) would allow the government to make such a referral.

With all due respect, the fact that it was not referred to the appropriate committee leads me to believe there may be something untoward in the government's intention on the bill in the first place.

Also I refer to the fact that the Reform Party would oppose this bill for what it is not. In this case and as members from the scrutiny of regulations committee will point out, there is no statutory disallowance procedure put forward.

One way Parliament ensures that regulations are reviewed is through the scrutiny of regulations committee. You will hear me refer to that committee again and again in this speech. Its work is as germane to this debate as is Bill C–84 itself.

The Standing Joint Committee for the Scrutiny of Regulations has had power since 1986 under Standing Order 123 to recommend that a regulation be disallowed. Let me assure colleagues that this is done in the rarest of situations and usually as a result of a government department exceeding its authority.

The recommendation by the committee under Standing Order 123 is just that, a recommendation. It is up to the minister responsible to address the disallowance. Sadly there is nothing which obliges him to act upon the committee recommendation to disallow a regulation. Further, the disallowance procedure does not apply to regulation made outside of governor in council or by a minister.

Throughout the life of the previous Parliament, the then opposition Liberals on the scrutiny committee saw the shortcomings of this situation presented to them. In a 1992 report released by the Subcommittee on Regulations and Competitiveness, they requested that the disallowance procedure be replaced on a statutory footing.

The government responded that such a measure was not necessary. The Hon. Ray Hnatyshyn stated that it was inappropriate to proceed with legislation until the effect of the experimental rules could be assessed. It is 1995, a full nine years of experimenting and the only thing that has changed is that the Liberals are now in power. I ask hon. members on the government side to join with me and amend this bill accordingly so that all regulations and deleted legislation is subjected to full and effective parliamentary review.

• (1635)

The definition of a regulation contained in clause 2(1) contains the phrase "are of general application". This open ended catch all is likely to be the source of debate for many years to come. Granted, when placed alongside the dual version of what exists in the Statutory Instruments Act the government has tidied up the definition somewhat.

However in practice the definition could exclude a departmental order which is specific in its nature. For example the Department of Indian Affairs and Northern Development makes an order with respect to the Sechelt Indian Band concerning licensing. The question then arises whether the order is considered a regulation which is subject to examination as it represents a specific rather than a general application. This is significant because it does represent an anomaly over what presently exists. It is my hope the situation will be clarified by the government at some point in the debate stage.

In addition clause 5(1) modifies the exemption guidelines which are presently set out in section 27 of the Statutory Instruments Act. The problem is that the guidelines in section 27 appear to be replaced with a general discretion. The only check in place is that an order to exempt is itself a regulation and therefore is subject to review.

Clearly this so–called safeguard is subject to interpretation and as such should be considered suspect as it departs from previous practices. The point here is that the Reform Party and Canadians are fundamentally opposed to any kind of exemption power. Somewhere along the way an exemption power has the potential to be abused.

In no way am I trying to question the sincerity with which this Liberal government has put forward this bill. I would never do that. Yet if a government with less integrity were to come into the House and for which we have an ethics counsellor—if members over there remember the ethics counsellor who, as I keep repeating in the House, is about as busy as the Maytag repairman—would it exempt on the basis of a connection to the cabinet? Perhaps not, though I say the potential is there.

Clauses 6(1), 6(2) and 7 are at the heart of the government's initiative to speed up the regulatory process. This effort should be applauded. The clauses could have a disastrous effect on the regulatory process and I will explain why.

The clauses I referred to are supposed to ensure that each regulatory authority, for instance the minister or a government department, is responsible for drafting their respective regulations. Only then can they be submitted to the privy council office of justice for advice. This is thought to be an improvement over the Statutory Instruments Act because in past practices the privy council office drafted and reviewed its work on behalf of most regulatory authorities. It did after all have the most expertise in this area but unfortunately this situation represented a conflict of interest.

Bill C–84 attempts to address that conflict of interest by taking the drafting responsibility away from the privy council office of justice and entrenching it with the relevant minister or department. In doing this the government is turning over the drafting responsibility to legal departments which heretofore have had limited or non–existent experience in the drafting of such regulations. The result is likely that poorer quality drafts will be submitted to the privy council office of justice. In turn, that office will probably end up doing the drafting from scratch.

• (1640)

Again, the clauses represent a good intention but fail to consider the reality of the regulatory process.

I again call on my colleagues in the House to enhance the provisions of this bill. This can best be accomplished by placing a statutory disallowance procedure in the bill. There will be ample opportunity to discuss and review this request, but I ask my colleagues from the government side, especially those who sit on the regulations committee, to push for an amendment in this regard. Many of them pushed for this in opposition and to do any less now would be indefensible.

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, it is a pleasure to speak in support of Bill C–84. This bill is about improving the regulatory process to the benefit of all Canadians.

The limitations and particularly the delays created in the existing system result in hidden but very real costs to all Canadians. These are in the form of increased expenditures of revenues spent in enforcing outdated and inappropriate regulations and in reducing competitiveness in the global marketplace.

The reforms proposed in the new regulations act will improve the regulatory system without in any way sacrificing its basic objectives. The government's improved capacity to update regulatory standards faster will promote the public interest by ensuring that health and safety standards are current and take into account evolving technologies.

I would like to spend a few moments now dealing with the provision of Bill C–84 which deals with incorporation by reference. This is incorporation by reference of international standards and other material into regulations. This is an important element in achieving the objectives of our regulatory reform.

It is important to understand that these provisions do not create a new regulatory technique. Incorporation by reference is a legal technique that is currently being widely used by governments in Canada. It is a legal technique whose legitimacy has been recognized by the Supreme Court of Canada. It is a legal technique that is widely employed in Europe and has been advocated by the Standards Council of Canada and many international bodies, including the International Standards Organization of Geneva.

Incorporation of materials into regulations particularly as they are amended from time to time is an important way for government to promote the goals of international and interprovincial harmonization of regulatory standards. I stress that such harmonization does not mean that Canadian standards will be lowered. In many cases the standards adopted will be higher.

Reliance on the expertise and timeliness of international and interprovincial standards writing organizations whose material is typically incorporated on this basis is of significant value in promoting Canadian competitiveness, particularly in the context of rapid technological change. The usefulness of this technique in promoting Canadian competitiveness was recognized in the 1993 report of the finance subcommittee on regulations and competitiveness.

[*Translation*]

The provisions of the new legislation, which authorize departments with regulatory power to develop and revise documents incorporated by reference, also provide the important opportunity to quickly revise and improve regulations. This form of incorporation is limited to documents that are essentially technical and the rules of conduct on substance, established by the departments, remain subject to the entire regulatory process.

I stress once again that, in this area, we will not be amending the legislation in use, we will be codifying and clarifying. It has existed for years, and the new legislation simply incorporates the current practice.

• (1645)

However, we are proposing a significant improvement to this practice, because the provisions of the new Regulations Act establish the express statutory requirement for departments with regulatory power to ensure the accessibility of the documents incorporated.

To ensure effective parliamentary control over the technical standards incorporated, the new Regulations Act provides that the Joint Committee for the Scrutiny of Regulations be supplied *ex officio* with all the regulations.

Consequently, this committee could at any time call for, revise and comment on the regulations into which documents have been incorporated and by so doing review the documents in question. The documents, which are periodically revised, are made available in the form they are in at the time of the request.

[*English*]

Like the rest of the new regulations act, provisions relating to incorporation by reference strike what we believe to be the right balance between the need to streamline and speed up the regulatory process and the objectives of ensuring the legality and accessibility of regulations and providing necessary oversight by Parliament.

The regulatory process is already overburdened. We cannot afford to bring into the process documents that are not currently subject to it. The bill will facilitate use of a legitimate technique that offers opportunities for achieving the flexibility we need without sacrificing legality, accessibility, or parliamentary accountability. For those reasons I urge the committee to review the bill and I urge the House to ultimately pass the bill.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I am pleased—well, maybe not exactly pleased—to speak to Bill C–84 now before the House.

I listened earlier to the Minister of Justice when he addressed the Chair to refer this bill to a parliamentary committee. I will come back to this issue in a little while, but for now, let me say that we know the party now in office, the Liberal Party, and the somewhat contradictory objectives it is pursuing by introducing all the bills we have seen lately. First, there was Bill C–43, the infamous bill on lobbyists on Parliament Hill. In that bill, the government stated its intention—probably because of the Pearson Airport fiasco—to have an ethics counsellor, someone to oversee everything.

Soon after, they introduced Bill C–62, which I call the standard substitution bill. That bill allowed civil servants to act on impulse, to give in to pressure by their colleagues, and often by friends of the government, as is still the case, and to change some statutory standards. That was what Bill C–62 was all about. Now, we are considering Bill C–84, an act to repeal the Statutory Instruments Act.

We, in the Bloc Quebecois, know that progress must be made, and the Liberals are not stupid. They talk about great principles, things like "increased efficiency", "something good", something close to the citizens, close to the governed. Let us examine this bill closely. It does contain interesting provisions that we cannot approve blindly.

Let us take, for example, this legislation by reference. The Joint Committee for the Scrutiny of Regulations is having problems with Revenue Canada about the incorporation by

reference of material in a regulation. We could have specified in the appropriate provision that these incorporations by reference also include material provided—as clause 16(1)(*c*) says—by a government.

• (1650)

Can we incorporate in our legislation regulations passed by a foreign government? It is possible. It is possible when, for example, we want to figure out the income of a person, someone who has done his military service in the United States or in another country and is entitled, in that country, to compensation for his involvement in the armed forces. We could possibly refer to regulations or legislation from abroad. But we should specify it. Here we are faced with total uncertainty; we are not sure.

And what happens if the regulations to be incorporated by referral are amended? There again, we do not know. To come back to my example, are we to amend our regulations every time the State Department in the United States raises the pension payable to American veterans? Will we have to amend our regulations? If so, I start to doubt the efficiency of this process.

This bill was motivated by good intentions, that could hardly be challenged. Everybody is in favour of efficiency. Yet, it starts by undermining the principles which, ever since the Bill of Rights of 1688, in England, have been part of the regulatory practices of our constitutional monarchy.

As they say in Latin *delegatus non potest delegare,* you cannot delegate something which has been delegated to you. However, this is what the bill does. After some 300 years of implementation of past regulations. I agree that we should make some changes, we all want changes, especially if they are for the best, but are we going to sub–sub–sub–delegate regulatory powers to the most junior clerk, hired last week, that would have an interest—I know that we must always assume that things are done in good faith—in, for example, changing a regulation to benefit someone in his family, one of his friends? There is no limit to sub–delegation under Bill C–84.

This is dangerous, especially when we refer to Bill C–62 on measure substitution. Although it started with good intentions, I think the government is about to shoot through the bottom of its own boat, which will sink. The bills of the justice minister are always like that. They always state fine principles. We have seen it with the gun control bill. The principle was noble, the principle was laudable, but watch out when it comes up in front of the courts. The government wants to relieve the courts' backlog, but this type of legislation will not help.

There is already too much pressure on the courts, and the government keeps introducing bills that are based on principles but not so much on reality.

At the beginning of my speech, I said that this bill should have been referred to another committee. The Minister of Justice said that it should be referred to a committee of members who would examine its scope. We have a Standing Committee for the Scrutiny of Regulations which has existed for at least 25 years. It is composed of experts, and God knows the Liberals form the majority on that committee. Are they afraid of themselves?

There are Liberal MPs and Liberal senators on that committee. We know that all bills are sent to the Senate for review after they are adopted in the House. We asked the Solicitor General of Canada: Why not refer Bill C–84 to the Standing Joint Committee for the Scrutiny of Regulations, where sixteen MPs and senators spend a lot of time studying regulations? They would be the most competent people to evaluate the scope of this bill.

The solicitor general thought it was a wonderful idea, an extraordinary idea, but that there was no precedent in this House where a bill was referred to a joint committee.

• (1655)

But that is exactly what a precedent is all about; it is a first. If a precedent is not a first, it is not a precedent. Why is the minister so adamant in refusing to refer this bill to a committee which knows the subject, which does that kind of work year in and year out and which reviews thousands of regulations of all kinds annually, from the diameter of nickels to the disposal of toilet waste from airplanes.

There are all kinds of regulations and we study them all. And then we become incompetent overnight because there is no precedent? Another proof of this government's inability to go off the beaten path. The government keeps its eyes on its narrow path and fails to see anything outside of it. Therefore, I would ask the minister to show some common sense and ask his colleague, the Solicitor General of Canada, in the name of all Canadians and for the sake of our regulations, to actually set a precedent. Now is the time to act. Next year, it will be too late. The work will have been done. Otherwise, I will ask him to define "precedent".

This was my point. Finally, if this government is trying to be effective, why does it not give a response immediately, within the time frame set out in the Standing Orders? When the committee presents a report on amendments to regulations to the minister, why does he ask for two or three extensions and why does the committee have to go on writing for two years, finally giving up in desperation for lack of results? If at least the minister responded to the committee report, things would improve, and there would be greater effectiveness.

[*English*]

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Madam Speaker, when I was asked to speak on Bill C–84 I was quite interested and enthusiastic, just as the member for Fraser Valley West was.

This bill affects small and medium size businesses. It is an important bill. As a business person, I have experienced the regulations at all levels of government that do not make sense today.

Bill C–84 replaces the Statutory Instruments Act, which is almost 25 years old. We have not had a serious look at it in 25 years. That is a long time. It was probably outdated 10 years ago. It is something we should have looked at a long time ago. Unfortunately, in government and in politics legislation that should be reviewed frequently is often not because there is no political pressure to review it. I hope we will look at opportunities to review legislation more often and add some sort of sunset clause so that we can modernize regulations on a regular basis.

I was disappointed to hear that the opposition is not going to support the bill. They should actually be congratulating the Minister of Justice for putting the bill before a parliamentary committee before second reading, where the principles of the bill can be examined. This is something members of the third party have often asked for. They want more participation. They want greater opportunities for members of Parliament to be involved in discussions of the bills. This is a great opportunity. Since members across the way asked for it, I thought they would be very enthusiastic and would congratulate the minister for giving that opportunity. Instead, the member for Fraser Valley West was very articulate in talking about the fact that he was not in favour of the bill.

• (1700)

This bill is 25 years old. It is complex, cumbersome, and a real burden to Canadians. The minister is saying we want to simplify and modernize it. We want to make sure that it makes sense for today. What do we hear from the opposition members? They cannot support it; they are not in favour of it. Are they not in favour of simplifying the bill? Are they not in favour of modernizing the bill? Are they not in favour of making sure that committees can do their work and look at this bill?

We often hear in the House about how we have to simplify regulations. We often hear how a lot of the legislation does not make sense for today and that we need to have common sense. Here the minister is providing that opportunity and the opposition members are saying they do not agree with it.

I and many other members have been confronted with a regulation that often makes no sense for today. We then go to some of the bureaucrats and tell them this does not make sense in today's business climate, in today's environment and in today's technology. Often some of the bureaucrats agree with us but tell us their hands are tied because the regulation is very old and has not been reviewed and therefore they have to comply with the regulation.

This is a very good opportunity for all members of Parliament to participate in the changes that are required to have an environment that is efficient. I know the members from the third party often talk about creating greater efficiencies and an environment for businesses so they can have a cost saving.

In terms of the environment, I toured a company in my own riding, Pacific Meadows, that is involved in the recycling of metal. It informs me that there are certain regulations that impede its opportunity to recycle.

Often when government forms regulations it throws this huge net out there and catches, just as it does in the fishing industry, something it does not intend to catch. It becomes an impediment for small and medium size companies to do their business. The net was cast out to cover all sorts of things but not intended to catch some businesses. That is why we need the opportunity, on a regular basis, to review the regulatory process and regulations to ensure that it makes sense for today's environment in terms of international trade, changes in the environment, and changes in the health care area. All those areas have to be taken into consideration. The present act does not take those things into consideration.

This bill will go a long way to ensuring that we have a simplified, modernized bill. I do not know how anybody can be against simplifying something. We have come to a new age of communications and electronics. One of the things this bill proposes is that we have an electronic registry where forms will be filled out electronically so that we can become more efficient and more cost effective. I believe that will go a long way.

I hope the members across the way will realize that small and medium size businesses all over this country will be disappointed with the stand they have taken to vote against modernizing a regulatory process when business people all over this country know we have to improve the way our regulatory process works. I think Canadians across this country will applaud the government and the Minister of Justice for bringing this legislation forward to modernize and simplify our regulations.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Madam Speaker, Bill C–84 is an attempt to create confusion in Canadian regulations. There is certainly no indication that this bill will lead to any improvement.

• (1705)

As my colleagues already pointed out, the bill will in fact allow the government to hide its operational mistakes and waste. It will make it easier for public servants and government officials to circumvent Parliament. My colleagues already explained that it is creating confusion in the regulatory process.

This is one of the reasons why we will vote against the bill. Contrary to what my colleague just said, I do not even believe it is an important bill. It was merely introduced to keep the House busy, to avoid dealing with the real issues, the real problems. This bill will not help job creation. We know full well that this bill, like a number of other insignificant ones, is being introduced to keep the House occupied and avoid any debate on sovereignty or the future of Canada. It allows the government to procrastinate and wait until after the referendum to make cuts in Quebec. Social programs will be drastically cut.

Next year, cuts will be more drastic than this year. This year, $650 million will be cut in social programs. Next year, it could be $1.2 billion and maybe more. The following years, it will be $2 to $3 billion a year. These are the real problems. They affect Canadians and Quebecers who would like their elected representatives to address these problems. And yet, here we are in this House talking about a piece of legislation which deals with regulations and does not even improve the situation, creates confusion and gives bureaucrats more powers to impose regulations which might not be beneficial to small business and business people.

As far as the real issues are concerned, this government has a tendency to table legislation in keeping with a political philosophy which is increasingly more right wing, favouring cuts and the centralization of powers. What is happening to social programs clearly shows that this government has no respect for the ordinary citizen. When it makes huge cuts in social programs and reduces UI accessibility, these are the real issues.

Why not talk about that, rather than about regulations which, for all intent and purposes, are without any importance? It is because we are waiting until October 30, to see whether Quebec will vote for sovereignty. Personally, I hope that Quebecers will realize that federalism is no longer profitable, that Quebec contributes more and more to a central government which is less and less effective, and Bill C–84 proves it, because again it creates confusion. It is inconsistent and does not even abide by the Official Languages Act.

We are giving powers to officials without making them responsible to Parliament. This is what Canada is offering the people of Quebec. Here we have a government which is less and less effective, which creates confusion and which despises Quebec. When we talk about cuts in social programs worth billions of dollars per year, when we talk about cuts in unemployment insurance, we are talking about things which impact on ordinary people. Also, the government has shown that it intends to reduce old age pensions. These are real problems, real issues which worry people, at least in Quebec, and here we are, today, talking about regulations, something that nobody understands.

• (1710)

Reading through the bill, one cannot see its purposes nor its basis, except perhaps to keep us busy here, in the House, talking for hours on end about this worthless jumble. The real questions are being avoided, or postponed to the end of October.

This bill is another example of the federal government's tendency to centralize, of its policy shift to the right. This is serious, because the trend was already evident throughout North America, in Alberta, in Ontario, but now it reaches into the federal government. It will soon make itself felt in cuts to unemployment insurance and social programs, and many Quebecers will end up on welfare.

Federalism is not profitable for Quebec any more. From now on, Quebec will see itself paying more and more every year into the federal system while receiving less and less. Incidentally, Quebec has not been receiving its due share from all federal departments for a very long time now. We did receive a lot of money through equalization payments and unemployment insurance benefits, but that will change in the next few years. Quebec will get less and less and pay more and more.

In the case of unemployment insurance, the federal government stopped contributing to it in 1990, employees and employers paying for it entirely. This year, in 1995, the federal government took from the UI program some $5 billion that will be used to other ends than unemployment insurance payments. Not only are they not giving money for those who lost their jobs, they are limiting access to UI benefits. Next year, in Quebec, two thirds of the people who will claim unemployment insurance benefits will be declared ineligible.

It has already been estimated that 40,000 unemployed will have to go on welfare. These are the real issues that concern people. But, this week, in the House, we will be talking about regulations which do not make sense and only show that the government does not know where it is going. This government is not addressing fondamental concerns, because in the debate on sovereignty, it has nothing to offer to Quebec; therefore, it is avoiding dealing with issues.

In Quebec, we want to give confidence to Quebecers and to encourage them to take their destiny into their own hands after October 30. We want to give real hope to employers, to ensure equity and justice. This bill concerns the justice department. However, the best way for Quebecers to get real justice at home is for Quebec to become sovereign.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Madam Speaker, it gives me a great deal of pleasure to take part in the debate this afternoon.

Madam Speaker, when you and I were both elected in 1988, among all of us who came into Parliament that year there were probably a number of things we wanted to do here as parliamentarians. A number of issues were of tremendous interest to us: the question of the future of our wonderful country, the unity of Canada, the continued thriving of one united Canada, and issues relating to matters very close to my heart such as making sure that violence against women is eradicated soon.

• (1715)

It is a safe bet to say that the majority of members of Parliament whenever they were elected do not necessarily become passionate over tissues like Bill C–84, the Regulations Act. Yet these matters are very important.

The hon. member for Kingston and the Islands will take part in the debate a little later. I think this is something the hon. member understands full well. From his years as a high school student when he wrote a paper about the pipeline debate in the House the hon. member has been very interested in and perhaps one of the most knowledgeable members of the House on questions of process.

When we talk about regulations and the Regulations Act we are really talking about process, if I might wax somewhat hyperbolic, read in tooth and claw, as I am sure the hon. member from Kingston and the Islands would agree.

It is not the stuff of which romantic novels or poems are written. It is not the stuff of overweening rhetoric, but it is the stuff of the day to day operation of government. Most particularly it is the stuff of the day to day operation of good government.

What are the objectives of the bill? There are a number of objectives. It will simplify and streamline the regulation making process because it will clarify existing legal uncertainties in the regulatory field. That sentence probably does not strike huge chords of interest in the populous in general. It probably does not strike huge chords of interest in my colleagues on the opposite side in any of the opposition parties. I would hazard a guess that, fond as I know my colleagues on this side of the House are of me, it probably is not striking huge chords of interest in the member from Miramichi, for example. I do not think it is striking huge chords of interest in my friend from Saskatchewan.

Mr. Milliken: Not at present.

Ms. Clancy: Not at present. That is all right too because this is the stuff of good government. It also is the stuff of promise keeping. One of the major promises in our red book in 1993 was to simplify and streamline the red tape that affected small business and this act will do just that. For example, it will replace the antiquated and misunderstood phrase statutory instrument with the word regulation.

In my time practising law, teaching law and commenting on the law in the media before I came to this place, there was the idea that we had to demystify the processes of law and government for most Canadians. It is certainly of great importance that we demystify those processes for those Canadians working in the area of small business.

The legislation will modernize the regulatory process for the information age by providing a legislative framework for the electronic publication of regulations and for public comment, the electronic medium. That is yet another milestone for us on the information highway, an area in which the hon. Minister of Industry and the hon. Secretary of State for Science and Technology have served us so well in recent days.

The act will make regulations more responsive to public concerns by improving the scrutiny role of the Joint Committee on the Scrutiny of Regulations.

• (1720)

It was not necessarily one of those committees that members of Parliament from either side of the House rushed to join, but it was one very important to the smooth functioning of good government. One of the reasons the government is in power is that historically and currently we offer good government to Canadians.

An hon. member: Oh, oh.

Ms. Clancy: One of the ways we do it is by not electing empty barrels.

By streamlining and simplifying the regulatory process and making it more accessible to the public, the act supports government efforts to make government more transparent and open to Canadians, again a fulfilment of a red book process.

The legislation also supports the government's agenda of promoting economic growth and job creation through a streamlined and expedited regulatory process that will improve the capacity of departments to respond rapidly to the changing circumstances of the global economy.

One thing I find when I go back to my riding and talk with people in small business is the question of not knowing what is expected of them. The passage of the bill will make the problem much less onerous for Canadian operators of small businesses.

I think of those people who opened small businesses in the city of Halifax. I think in particular of those people who are the most common openers of small business in the country, women. Women start more small businesses in Canada than men do. They tend to stay at it longer and they tend in the long run to be more successful.

One of the problems I hear from women when I go to meetings encouraging women entrepreneurs, talking with them about small business and the relationship between government and small business, is a fear to get into these areas because they are

not sure what is expected of them. They feel they will have to pay accountants and lawyers large amounts of money to interpret government policy to make sure that their businesses are staying within the realms of government regulation.

The bill will go a long way to easing those fears, to opening up for entrepreneurs the ideas of government policy and to telling them exactly what is expected of them.

The whole point of good government is to make the country an even better place, an even more liveable place for the people who live in it. I listened to my colleague from Quebec a few minutes ago. He made the point over and over again that the federal government had nothing to offer to the people of Quebec. I do not believe that, Madam Speaker. I know that you do not believe it. More important, the people of Quebec do not believe it either.

Recently I had the very good fortune to travel right across the country. This summer I did it twice, once by stopping off in various places with the immigration committee and listening to people—my hon. colleague from Bourassa was with me on that trip—and once again by returning from the fourth women's conference in Beijing via Vancouver and Calgary to Ottawa.

The ties that bind us together never cease to amaze me, whether we are from Quebec or the maritimes, the north or the west; whether we are from Southwest Nova or Kingston and the Islands; whether we are from the beautiful province of British Columbia; whether we are from the north or the prairies; or whether we are from that beautiful province that is every bit as much my country as it is yours, the province of Quebec.

It is good government that this government offers Canadians. It is good government that will keep Canadians together. It is acts like this one in their plainness that give us good government.

• (1725)

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, although in favour of the updating of the Regulations Act to address the problem of the current regulatory process, the Bloc Quebecois cannot and will not enter this venture blindly.

As it is, Bill C–84 does not give all the safeguards we should expect. First, clause 5 provides that the Governor in Council may exempt regulations from the application of the regulatory process provided that the public interest is respected.

According to the same clause, the public interest includes achieving goals relating to safety, health, the environment and sustainable development and reducing regulatory costs and delays. Why are the objectives of safety, health and the environment mentioned? Is the government trying in a underhanded manner to extend the federal jurisdiction over the environment sector? Is the government once more trying to create unnecessary and expensive overlaps?

Mr. Boudria: Come on!

Mr. Milliken: Nothing of the such.

Mr. Nunez: That is what the bill says, dear colleague.

Does this government want to take over provincial areas of jurisdiction? Is this what they call flexible federalism? For me we are going backwards instead. Another attempt to pull a fast one on the provinces. This bill also questions the publication of regulations. This bill calls into question many other aspects. It is left to the Clerk of the Privy Council to decide whether all regulations should be published in the *Canada Gazette* as is now the case or in any other venue as he sees fit, either in special interest magazines or through electronic means.

What openness. Only the people and organizations directly concerned could have easy access to the regulations. This procedure fosters inequalities between people and between small businesses and large corporations, which, unlike small businesses, can afford lobbyists to keep a close eye on what the government is doing.

This kind of action is unconscionable. The clerk must be required to publish an official notice in the *Canada Gazette*. And to better spread the information, he may order that the regulations be published in a different venue. I have no problem with that. That is progress, that is transparency, and not a double standard policy where the government tries to hide some information. But there is worse than that in this bill.

This bill is indefensible, especially the clause that indicates that failure to publish a regulation does not invalidate it. That is where the shoe pinches. The government must at least be honest; people have the right to know which regulations are in effect. The official publication of the regulation must validate it. How could it be otherwise, if we want to ensure equity to the people in general?

To some extent, this bill allows for the privatization of commercial and industrial regulations, probably based on American standards, which opens the door to the introduction of standards written only in English.

• (1730)

Who will be responsible for translating an American code on screw and bolt strength requirements for the aircraft industry, for example? If such a code were available in French, what guarantee do we have that subsequent changes will be published in French by the American association?

By providing few guarantees, Canada is using co–operating agencies or countries to impose upon us standards and frameworks that do not concern us. With this legislation, in particular clause 19, the federal government is trying, little by little, to minimize the Quebec culture by eroding our identity.

In its opinion, there is only one multicultural Canadian culture expressing itself in several languages, including French, but mainly in English.

Parliament scrutiny of the regulatory process is maintained in its existing form. The government should have taken the opportunity given by this act to improve distribution of regulations to all members of Parliament. The legislation should provide for the right of every member to have access to regulations through electronic means or at least through a printed copy. The whole body of federal legislation must be available. Yet, at present, members of Parliament do not have access to this work instrument.

In conclusion, I would like to point out another anomaly the government is not correcting in this legislation. As soon as a bill is introduced in the House, the government has regulations drafted. If members had access to draft regulations when legislation is debated, we would avoid a loss of time in basic discussion and we would be in a better position to assess the impact of new regulations.

For all these reasons, I will vote against this legislation in its present form, but I will vote yes in the upcoming Quebec referendum.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I listened with a great deal of interest to the speech of the hon. member for Bourassa, because it contained many good ideas. I hope he will sit on the Standing Committee on Government Operations, to which this bill will be referred. He will then have the opportunity to move amendments because, as he knows very well, the government introduced this bill and moved that it be referred to committee today, before second reading, so that he and other members on the standing committee can move all kinds of amendments. That is part and parcel of the new procedure introduced by the government at the beginning of this session of Parliament, and I certainly hope the hon. member will be on the committee with his ideas and amendments.

[*English*]

I think it is an extremely important procedure that is being followed on this bill. The bill has some deficiencies, some of which were pointed out by the hon. member in his speech, which cause me concern. I am sure the members of the committee will want to take a very careful look at it.

As a member of the scrutiny of regulations committee who has been working in this area for about two years now, I have my own concerns about this bill. I am sorry that it is not being referred to the Standing Joint Committee on Scrutiny of Regulations, which has some expertise in this area among the members of the committee who have worked on this. Many of the members of the committee have worked on it a good deal longer than I have and are far more knowledgeable. I am sorry they are not going to have the opportunity to deal with it as a committee.

• (1735)

On the other hand, I strongly suspect some of us will attend the odd meeting of the government operations committee and make known our views in respect of certain aspects of this bill, which I hope will help the minister as he deals with it in committee and will help make the bill a better one for everybody in Parliament.

Mr. White (Fraser Valley West): Bring Mary back.

Mr. Milliken: I know the hon. members want to hear more from the hon. member for Halifax, the parliamentary secretary to the Minister of Citizenship and Immigration. I too regret that her speech was limited to 10 minutes. I was enjoying her speech. I also note her reference to hon. members opposite as barrels. I am sure they were enjoying that.

Mr. Stinson: At least we are full barrels, not empty like the government.

Mr. Milliken: The hon. member says that they are full barrels. I am not sure what they are full of.

I would like to deal with a few of the proposals in the bill. Rather than being distracted by the comments from the other side, I would prefer to stick to my own views on this bill today.

I praise the minister for agreeing to allow the bill to be referred to committee before second reading. I believe it gives the committee maximum scope, notwithstanding the criticisms we have heard from the other side about this, to effect change to this bill should it find the provisions in the bill are unsatisfactory.

We know from the previous speaker's comments that the bill purports to repeal the Statutory Instruments Act and replace the definition of statutory instruments with a new definition of regulation. It allows among its provisions for the incorporation by reference of regulations or of descriptions in other documents promulgated by other organizations or other governments.

I know the hon. member for Bourassa in his remarks referred to clause 16 of the bill, which says that a regulation may incorporate by reference material produced by a person or body other than the regulatory authority, including a personal body such as an industrial or trade organization and a government agency or international body. He expressed some concern about that.

In clause 19 of the bill it says "Material does not become a regulation for the purposes of this act because it is incorporated by reference in a regulation". I have a slight concern, because a regulation is referred to the Standing Joint Committee on Scrutiny of Regulations. Will the material incorporated by reference also be referred to that committee? I believe it is important that it be so referred. If clause 19 will be argued as a means for saying that it is not before the committee, I would have concerns. That is a point that should be clarified in the course of the committee proceedings on this bill.

Clause 25 of the bill, which refers regulations to committees, does constitute an improvement over the existing law. There are certain statutory instruments currently now adopted that do not come before the scrutiny of regulations committee. The definition contained in this act widens the scope of the committee's work to allow it to see more than was otherwise the case.

I have attempted through questioning to elicit the lists of the kinds of things that would not now be referred to the committee, but without a lot of success. I fully anticipate the government operations committee in the course of its deliberations on this bill will be able to get that information. I am looking forward to seeing the list and I will review it of course with some care.

The fact that there is a wider definition of those things being referred is significant. I believe it represents an advance in the law. I am surprised to hear the hon. member for Bourassa

[*Translation*]

—and his colleagues, the hon. members for Québec–Est and Chambly, expressing negative views on this bill.

Mr. Boudria: Very negative.

Mr. Milliken: Very negative, as the hon. member for Glengarry—Prescott—Russell is saying.

This is not necessary, because the bill is a good bill, with good ideas. There have been a lot of changes in this area of the law, and that is important. This is a renewal, and that is why it is important, because nothing was done in this area for many years.

[*English*]

The changes the government is proposing in simplifying the whole regulatory process one hopes—it is a hope that is fervent on my part, but I am not sure I am fully expecting it to be fulfilled—will result in more efficient use of the regulatory process.

• (1740)

As a member of the scrutiny of regulations committee, one of the criticisms I have of the current process is the slowness with which things move. I know that citizens I run into who are operating businesses find it passing strange that it takes the government so long to make changes to regulations that are shown to be out of date and inapplicable in the circumstances.

I did not bring any horror stories with me today. I have not had a recent incident. However, I am aware that over the years members of the public have complained that a regulation is out of date, should have been changed, the standards in the industry have changed dramatically and the regulation no longer reflects industrial practice and is simply not enforced because nobody is obeying the regulation. Yet nobody gets around to making changes to it. Part of the reason no one gets around to making these changes is because of the time it takes to get changes effected in government regulations. It is a process that takes months or years. Because of that we have suffered.

The regulatory regime in Canada is nowhere near as good as it should be. It could be improved drastically if change could be effected more quickly. This bill will allow that. To that extent, it is a beneficial change. We may want to look at the ways it allows it, we may want to look at the safeguards built into the process, but the fact is that the bill does allow more efficiency. For that reason alone, I think it is worth supporting.

I am surprised to hear my colleague from Bourassa say that he will not vote for the bill at this stage when we are not approving it in principle. We are simply referring the bill to committee before second reading. I know what has happened. He has listened to somebody else in his party who decided that the party should vote against it and he is going along with that. If he had argued in the right places I think he could have convinced his leader and the other members of his party that they should be supporting the bill.

I am not sure of the position of the Reform Party. Unfortunately, I missed their speaker on this bill. I understand that the Reform Party is also opposed to the bill.

Mr. Stinson: You missed more than that.

Mr. Milliken: The hon. member says that I missed more than that. I did miss more than that, but I understand there was only one speech made by the Reform Party on this bill. I do not know who made the speech. I suspect it was one of the members who is sitting here now. I am sorry I missed it. I am sure I would have enjoyed it. Whether it would have illumined me on the subject of the bill is another matter. Perhaps the hon. member for Glengarry—Prescott—Russell, when he makes his speech, will be able to comment on the pearls of wisdom, or otherwise, we heard from the Reform Party earlier this afternoon.

I thank the minister again and praise him for bringing forward the bill. I believe it is important to have a look at this area of the law. This bill will allow the committee responsible to do that. I only hope that the members of the scrutiny of regulations committee will have an opportunity to have some input on the bill during the course of committee deliberations.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I am pleased to have the opportunity to speak, albeit briefly, on this bill.

[*Translation*]

Today, once again, we have seen that the Liberal government is in favour of this democratic evolution, this modernization of the legislation, and we can see too that the two parties on the other side want to maintain the status quo. It is clear. Obviously, this is not surprising on the part of the Reform Party, because we know that these people are much like a species that disappeared millions of years ago, and I do not think it is necessary to mention the species we are talking about. However, we are a bit surprised by the hon. members from the Bloc Quebecois, because they claim they want progress, they want change.

Oh, well. Sometimes, they change things by going backwards, but I must say that I am a bit surprised to see that they are in favour of the motion before the House today. The motion now before the House is interesting, because we are not passing this bill. We are only talking about the House referring the bill to a parliamentary committee without first having approved it.

• (1745)

I could have read the exact motion. Pursuant to Standing Order 73(1), Bill C–84 would be referred to the Standing Committee on Government Operations before second reading. The bill deals with the registration, publication and parliamentary scrutiny of regulations.

In other words, we are not asking members to tell us today if they are in favour or against the bill. The only thing the government is asking the House is for this bill to be discussed in committee, without first getting approval in principle at second reading stage.

So, we are not asking members opposite for their approval. We are asking for a parliamentary committee to consider this bill beforehand, to determine if we should approve it, with or without amendments. In other words, we want to find ways to improve the way we do things.

The member for Bourassa and others are in favour of the status quo. They are against progressive, flexible federalism as we see it on this side of the House. They are uncompromising, they are dead set on keeping the status quo and they refuse to let this bill go through.

You can see how our colleagues opposite are acting. They are very partisan and show a total lack of objectivity. We heard the member for Bourassa say in his speech that he thought the government could use this bill—and keep in mind that we are not voting on the bill, but only referring it to a committee for prior study—that this bill could be used against the French culture. Imagine that, we are talking here about a bill aimed at modernizing the regulations review process. Is the member not going too far?

[*English*]

The bill will do a number of things such as replace the rather antiquated and misunderstood phrase statutory instruments with something a little more modern like regulations. Some of these terms confuse the best of us.

A moment ago I was saying to my colleague, the parliamentary secretary, that the term statutory instruments was about as clear as a term used sometimes in real estate known as incorporeal hereditament. My colleague, the member for Victoria—Haliburton, who I think is a real estate agent by training, will know what I am referring to. It is another way of describing curtain rods and such. It can mean more than curtain rods, but that is the thrust of the debate. I am told it can also mean sump pumps and the like.

We have some terms in law that are confusing at the best of times. In this process we are studying at committee level the Regulations Act to modernize it. There could be places in the bill where the committee will offer changes or modifications to better the bill before it asks the House for approval in principle.

The important and operative point to remember is that the only matter being sought of the House right now is whether the bill should be studied in committee, not should it be approved in principle first and referred to a committee which is the normal way of doing business. Today that is not even being sought.

What do we hear from across the way but systematic obstruction that we are familiar with? Those members are married to the status quo. They want no improvement in the federation, no improvement in our laws and no modernization.

The hon. member for Kingston and the Islands has informed us that he is very much interested in the issue, as he should be, because he is learned in the law. He will no doubt have an important contribution to make to that effect in committee.

• (1750)

The Standing Committee on Government Operations is very ably chaired by the hon. member for Fundy Royal. He is also a very well known lawyer and will be able to deal with the issue along with other members of the committee who will be studying the bill.

An hon. member: How many lawyers are there?

Mr. Boudria: A member across the way is asking how many lawyers are on the committee. I think it is a grand total of one.

Mr. Stinson: That is too many.

Mr. Boudria: A member across says that is too many to deal with statutory instruments. Perhaps we can have the benefit of the wisdom of the member who has made these utterances. In committee he will no doubt enlighten the rest of us on how to proceed with modernizing the statutory instruments of Canada.

I am sure the hon. member for Timmins—Chapleau will be listening attentively. He too is learned in the law and will be listening to the immense contribution of the member across the way so he can inform us on how to better the statutory instruments or the regulations made pursuant to the laws of the land.

I know the hon. member across the way is just champing at the bit. I know he will make a profound discourse on the subject. My colleagues and I are all waiting anxiously to hear the comments of the hon. member across the way in the Reform Party who is heckling at the present time and who is obviously very anxious to participate in this very important debate this afternoon.

I want him to tell us exactly what the position of his party is with regard to referring the bill before second reading for a full study prior to approval in principle in the House of Commons and why it is his party is choosing to behave in that way, if not simply to say that it has no interest in making things in the House better or more modern.

[*Translation*]

I will say, in conclusion, that it is not too late for the member for Bourassa, the member for Drummond and others to change their mind and to vote in favour of this motion to refer the bill to committee before second reading.

In doing so, we are showing our intention, our desire, collectively and individually, to improve the laws of Canada. We will see in a few moments if the members for Bourassa, Mercier, Drummond and our other colleagues opposite are in favour of the status quo or if they are in favour of improvement. We will see in a few moments. But let us not hold our breath, because it is quite likely that these people will want the status quo because it suits their purpose in the current debate.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

The division on the motion is deferred until 6 p.m., at the request of the government whip.

SUSPENSION OF SITTING

Mr. Milliken: Madam Speaker, I think you would find unanimous consent to suspend the sitting of the House until 6 p.m. when the bells will start their 15–minute sounding.

The Acting Speaker (Mrs. Maheu): Is the House in agreement to suspend until six o'clock?

Some hon. members: Agreed.

(The sitting of the House was suspended at 5.55 p.m.)

SITTING RESUMED

The House resumed at 6 p.m.

* * *

MANGANESE BASED FUEL ADDITIVES ACT

The House resumed from September 28 consideration of the motion that Bill C–94, an act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances, be read the second time and referred to a committee.

The Acting Speaker (Mrs. Maheu): Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

Government Orders

(Division No. 338)

YEAS

Members

Adams	Alcock
Allmand	Althouse
Anderson	Assad
Assadourian	Asselin
Axworthy (Winnipeg South Centre/Sud–Centre)	Bélair
Bélanger	Bélisle
Bellehumeur	Bellemare
Bernier (Gaspé)	Bertrand
Bethel	Bevilacqua
Bhaduria	Blaikie
Blondin–Andrew	Bonin
Bouchard	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Caccia
Calder	Cannis
Catterall	Chan
Clancy	Cohen
Collenette	Collins
Cowling	Crawford
Culbert	de Jong
Deshaies	DeVillers
Dhaliwal	Dingwall
Dromisky	Duceppe
Duhamel	Easter
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gauthier
Godfrey	Goodale
Graham	Gray (Windsor West/Ouest)
Guimond	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Irwin
Jackson	Jacob
Keyes	Kirkby
Knutson	Kraft Sloan
Lalonde	Landry
Lastewka	Lavigne (Beauharnois—Salaberry)
Lebel	LeBlanc (Cape/Cap–Breton Highlands—Canso)
Lee	Loney
MacDonald	Malhi
Maloney	Marchand
Marchi	Massé
McCormick	McGuire
McKinnon	McLellan (Edmonton Northwest/Nord–Ouest)
McTeague	McWhinney
Mercier	Mifflin
Milliken	Murphy
Murray	Nunez
O'Brien	O'Reilly
Ouellet	Pagtakhan
Parrish	Payne
Peric	Peterson
Picard (Drummond)	Pickard (Essex—Kent)
Pillitteri	Plamondon
Proud	Reed
Regan	Richardson
Rideout	Robichaud
Rocheleau	Rock
Scott (Fredericton—York—Sunbury)	Serré
Sheridan	Simmons
Solomon	St. Denis
Stewart (Brant)	Stewart (Northumberland)
Szabo	Taylor
Thalheimer	Tobin
Torsney	Tremblay (Rimouski—Témiscouata)
Ur	Valeri
Venne	Verran
Walker	Whelan
Wood	Young
Zed—145	

NAYS

Members

Bridgman	Brown (Calgary Southeast/Sud–Est)
Chatters	Cummins
Duncan	Epp
Forseth	Frazer
Hanrahan	Harper (Simcoe Centre)
Hart	Hill (Prince George—Peace River)
Hoeppner	Mayfield
McClelland (Edmonton Southwest/Sud–Ouest)	Meredith
Morrison	Penson
Ringma	Schmidt
Scott (Skeena)	Solberg
Stinson	Thompson
Wayne	White (Fraser Valley West/Ouest)—26

PAIRED MEMBERS

Arseneault	Bachand
Bakopanos	Barnes
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bodnar
Brien	Campbell
Caron	Cauchon
Copps	Crête
Culbert	Dalphond–Guiral
Daviault	de Savoye
Debien	Dubé
Dumas	Dupuy
Eggleton	Fillion
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gagnon (Québec)
Gerrard	Godin
Guay	Langlois
Laurin	Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	MacAulay
Maclaren	Manley
Ménard	Minna
Mitchell	Nault
Paradis	Paré
Patry	Peters
Phinney	Pomerleau
Ringuette–Maltais	Robillard
Sauvageau	Speller
St–Laurent	Telegdi
Tremblay (Rosemont)	Vanclief

• (1825)

The Acting Speaker (Mrs. Maheu): I declare the motion carried. Consequently, the bill is referred to the Standing Committee on Environment and Sustainable Development.

[*Translation*]

(Bill read the second time and referred to a committee.)

• (1830)

CULTURAL PROPERTY EXPORT AND IMPORT ACT

The House resumed from September 28 consideration of the motion that Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the amendment from the hon. member for Medicine Hat.

Mr. Boudria: Madam Speaker, if you were to seek it, I think you would find that the House agrees to apply in reverse the result of the division on Bill C–94 to Bill C–93.

Mr. Duceppe: Agreed.

[*English*]

Mr. Ringma: Agreed.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent to reverse the vote?

Some hon. members: Agreed.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 339*)

YEAS

Members

Bridgman
Chatters
Duncan
Forseth
Hanrahan
Hart
Hoeppner
McClelland (Edmonton Southwest/Sud–Ouest)
Morrison
Ringma
Scott (Skeena)
Stinson
White (Fraser Valley West/Ouest)—25

Brown (Calgary Southeast/Sud–Est)
Cummins
Epp
Frazer
Harper (Simcoe Centre)
Hill (Prince George—Peace River)
Mayfield
Meredith
Penson
Schmidt
Solberg
Thompson

NAYS

Members

Adams
Allmand
Anderson
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Bélanger
Bellehumeur
Bernier (Gaspé)
Bethel
Bhaduria
Blondin–Andrew

Alcock
Althouse
Assad
Asselin
Bélair
Bélisle
Bellemare
Bertrand
Bevilacqua
Blaikie
Bonin

Bouchard
Brown (Oakville—Milton)
Bryden
Calder
Catterall
Clancy
Collenette
Cowling
Culbert
Deshaies
Dhaliwal
Dromisky
Duhamel
English
Finestone
Flis
Fry
Gagliano
Gauthier
Goodale
Gray (Windsor West/Ouest)
Harb
Hickey
Hubbard
Irwin
Jacob
Kirkby
Kraft Sloan
Landry
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap–Breton Highlands—Canso)
Loney
Malhi
Marchand
Massé
McGuire
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Mifflin
Murphy
Nunez
O'Reilly
Pagtakhan
Payne
Peterson
Pickard (Essex—Kent)
Plamondon
Reed
Richardson
Robichaud
Rock
Serré
Simmons
St. Denis
Stewart (Northumberland)
Taylor
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Verran
Wayne
Wood
Zed—147

Boudria
Brushett
Caccia
Cannis
Chan
Cohen
Collins
Crawford
de Jong
DeVillers
Dingwall
Duceppe
Easter
Fewchuk
Finlay
Fontana
Gaffney
Gallaway
Godfrey
Graham
Guimond
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lalonde
Lastewka
Lebel
Lee
MacDonald
Maloney
Marchi
McCormick
McKinnon
McTeague
Mercier
Milliken
Murray
O'Brien
Ouellet
Parrish
Peric
Picard (Drummond)
Pillitteri
Proud
Regan
Rideout
Rocheleau
Scott (Fredericton—York—Sunbury)
Sheridan
Solomon
Stewart (Brant)
Szabo
Thalheimer
Torsney
Ur
Venne
Walker
Whelan
Young

PAIRED MEMBERS

Arseneault
Bakopanos
Beaumier
Bernier (Mégantic—Compton—Stanstead)
Brien
Caron
Copps
Culbert

Bachand
Barnes
Bergeron
Bodnar
Campbell
Cauchon
Crête
Dalphond–Guiral

Daviault
Debien
Dumas
Eggleton
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Guay
Laurin
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Maclaren
Ménard
Mitchell
Paradis
Patry
Phinney
Ringuette-Maltais
Sauvageau
St-Laurent
Tremblay (Rosemont)
de Savoye
Dubé
Dupuy
Fillion
Gagnon (Québec)
Godin
Langlois
Lavigne (Verdun—Saint-Paul)
Lefebvre
Leroux (Shefford)
MacAulay
Manley
Minna
Nault
Paré
Peters
Pomerleau
Robillard
Speller
Telegdi
Vanclief

The Acting Speaker (Mrs. Maheu): I declare the amendment negatived.

* * *

OCEANS ACT

The House resumed from September 29 consideration of the motion that Bill C-98, an act respecting the oceans of Canada, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mrs. Maheu): The question is on the amendment.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent that all members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting nay.

[*Translation*]

Mr. Duceppe: Bloc members will vote in favour of this motion.

[*English*]

Mr. Ringma: Reform will vote in favour of the Bloc amendment to that bill, except for those members who might wish to vote otherwise.

Mr. Solomon: Madam Speaker, members of the New Democratic Party present in the House this evening vote no on this bill.

Mrs. Wayne: Madam Speaker, the Progressive Conservative Party will be voting nay.

Mr. Bhaduria: Madam Speaker, I will be voting nay.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 340*)

YEAS

Members

Asselin
Bellehumeur
Bouchard
Brown (Calgary Southeast/Sud-Est)
Cummins
Bélisle
Bernier (Gaspé)
Bridgman
Chatters
Deshaies
Duceppe
Epp
Frazer
Guimond
Harper (Simcoe Centre)
Hill (Prince George—Peace River)
Jacob
Landry
Lebel
Mayfield
Mercier
Morrison
Penson
Plamondon
Rocheleau
Scott (Skeena)
Stinson
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West/Ouest)—47
Duncan
Forseth
Gauthier
Hanrahan
Hart
Hoeppner
Lalonde
Lavigne (Beauharnois—Salaberry)
Marchand
McClelland (Edmonton Southwest/Sud-Ouest)
Meredith
Nunez
Picard (Drummond)
Ringma
Schmidt
Solberg
Thompson
Venne

NAYS

Members

Adams
Allmand
Anderson
Assadourian
Bélair
Bellemare
Bethel
Bhaduria
Blondin-Andrew
Boudria
Brushett
Caccia
Cannis
Chan
Cohen
Collins
Crawford
de Jong
Dhaliwal
Dromisky
Easter
Fewchuk
Finlay
Fontana
Gaffney
Gallaway
Goodale
Gray (Windsor West/Ouest)
Harvard
Hopkins
Ianno
Jackson
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
Malhi
Marchi
McCormick
McKinnon
McTeague
Mifflin
Murphy
O'Brien
Ouellet
Parrish
Peric
Pickard (Essex—Kent)
Proud
Regan
Rideout
Rock
Serré
Simmons
St. Denis
Stewart (Northumberland)
Taylor
Tobin
Alcock
Althouse
Assad
Axworthy (Winnipeg South Centre/Sud-Centre)
Bélanger
Bertrand
Bevilacqua
Blaikie
Bonin
Brown (Oakville—Milton)
Bryden
Calder
Catterall
Clancy
Collenette
Cowling
Culbert
DeVillers
Dingwall
Duhamel
English
Finestone
Flis
Fry
Gagliano
Godfrey
Graham
Harb
Hickey
Hubbard
Irwin
Keyes
Knutson
Lastewka
Lee
MacDonald
Maloney
Massé
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Milliken
Murray
O'Reilly
Pagtakhan
Payne
Peterson
Pillitteri
Reed
Richardson
Robichaud
Scott (Fredericton—York—Sunbury)
Sheridan
Solomon
Stewart (Brant)
Szabo
Thalheimer
Torsney

Ur	Valeri
Verran	Walker
Wayne	Whelan
Wood	Young
Zed—125	

PAIRED MEMBERS

Arseneault	Bachand
Bakopanos	Barnes
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bodnar
Brien	Campbell
Caron	Cauchon
Copps	Crête
Culbert	Dalphond-Guiral
Daviault	de Savoye
Debien	Dubé
Dumas	Dupuy
Eggleton	Fillion
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Gerrard	Godin
Guay	Langlois
Laurin	Lavigne (Verdun—Saint-Paul)
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	MacAulay
Maclaren	Manley
Ménard	Minna
Mitchell	Nault
Paradis	Paré
Patry	Peters
Phinney	Pomerleau
Ringuette-Maltais	Robillard
Sauvageau	Speller
St-Laurent	Telegdi
Tremblay (Rosemont)	Vanclief

The Acting Speaker (Mrs. Maheu): I declare the amendment negatived.

* * *

CANADA TRANSPORTATION ACT

The House resumed consideration of the motion.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the motion of Mr. Young relating to Bill C-101, an act to continue the National Transportation Agency.

[*Translation*]

Mr. Boudria: Madam Speaker, if you were to seek it, the House would give its unanimous consent that those members who voted on the previous motion be recorded as having voted on the motion currently before the House, with Liberal members voting yea.

Mr. Duceppe: Madam Speaker, members of the Bloc Quebecois will vote no on this motion.

Mr. Ringma: Madam Speaker, members of the Reform Party will vote no on this motion.

[*English*]

Mr. Solomon: Madam Speaker, members of the New Democratic Party vote nay on this motion.

Mrs. Wayne: Madam Speaker, I will be voting yea.

Mr. Bhaduria: Madam Speaker, I will be voting yea.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 341*)

YEAS

Members

Adams	Alcock
Allmand	Anderson
Assad	Assadourian
Axworthy (Winnipeg South Centre/Sud-Centre)	Bélair
Bélanger	Bellemare
Bertrand	Bethel
Bevilacqua	Bhaduria
Blondin-Andrew	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Caccia	Calder
Cannis	Catterall
Chan	Clancy
Cohen	Collenette
Collins	Cowling
Crawford	Culbert
DeVillers	Dhaliwal
Dingwall	Dromisky
Duhamel	Easter
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gallaway
Godfrey	Goodale
Graham	Gray (Windsor West/Ouest)
Harb	Harvard
Hickey	Hopkins
Hubbard	Ianno
Irwin	Jackson
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Loney
MacDonald	Malhi
Maloney	Marchi
Massé	McCormick
McGuire	McKinnon
McLellan (Edmonton Northwest/Nord-Ouest)	McTeague
McWhinney	Mifflin
Milliken	Murphy
Murray	O'Brien
O'Reilly	Ouellet
Pagtakhan	Parrish
Payne	Peric
Peterson	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Regan
Richardson	Rideout
Robichaud	Rock
Scott (Fredericton—York—Sunbury)	Serré
Sheridan	Simmons
St. Denis	Stewart (Brant)
Stewart (Northumberland)	Szabo
Thalheimer	Tobin
Torsney	Ur
Valeri	Verran
Walker	Wayne
Whelan	Wood
Young	Zed—120

NAYS

Members

Althouse	Asselin
Bélisle	Bellehumeur
Bernier (Gaspé)	Blaikie
Bouchard	Bridgman
Brown (Calgary Southeast/Sud-Est)	Chatters
Cummins	de Jong
Deshaies	Duceppe
Duncan	Epp
Forseth	Frazer
Gauthier	Guimond
Hanrahan	Harper (Simcoe Centre)
Hart	Hill (Prince George—Peace River)
Hoeppner	Jacob
Lalonde	Landry
Lavigne (Beauharnois—Salaberry)	Lebel
Marchand	Mayfield
McClelland (Edmonton Southwest/Sud-Ouest)	Mercier
Meredith	Morrison
Nunez	Penson
Picard (Drummond)	Plamondon
Ringma	Rocheleau
Schmidt	Scott (Skeena)
Solberg	Solomon
Stinson	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Venne	White (Fraser Valley West/Ouest)—52

PAIRED MEMBERS

Arseneault	Bachand
Bakopanos	Barnes
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bodnar
Brien	Campbell
Caron	Cauchon
Copps	Crête
Culbert	Dalphond-Guiral
Daviault	de Savoye
Debien	Dubé
Dumas	Dupuy
Eggleton	Fillion
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Gerrard	Godin
Guay	Langlois
Laurin	Lavigne (Verdun—Saint-Paul)
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	MacAulay
Maclaren	Manley
Ménard	Minna
Mitchell	Nault
Paradis	Paré
Patry	Peters
Phinney	Pomerleau
Ringuette-Maltais	Robillard
Sauvageau	Speller
St-Laurent	Telegdi
Tremblay (Rosemont)	Vanclief

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare the motion agreed to. The bill therefore stands deferred to the Standing Committee on Transport.

(Bill deferred to a committee.)

* * *

[*English*]

REGULATIONS ACT

The House resumed consideration of the motion.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the motion of Mr. Rock relating to Bill C-84, an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts.

[*Translation*]

Mr. Boudria: Madam Speaker, if you ask me, I think the House will give its unanimous consent to apply the results of the previous vote on the motion on Bill C-101 to the motion on Bill C-84 now before the House.

Mr. Duceppe: Agreed.

[*English*]

Mr. Solomon: Madam Speaker, members of the New Democratic Party in the House this evening vote no on this motion.

Mrs. Wayne: Madam Speaker, I will be voting yea.

Mr. Bhaduria: Madam Speaker, I will be voting yea.

(The House divided on the motion, which was agreed to on the following division):

[*Editor's Note: See list under Division No. 341.*]

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried. Accordingly, the bill is referred to the Standing Committee on Government Operations.

(Motion agreed to and bill referred to a committee.)

[*English*]

Mrs. Wayne: Madam Speaker, on a point of order. On Bill C-93, I did not hear you asking for unanimous consent. It was my desire to vote nay on Bill C-93.

The Acting Speaker (Mrs. Maheu): It being 6.40 p.m., the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.39 p.m.)

HOUSE OF COMMONS

Tuesday, October 3, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Madam Speaker, pursuant to Standing Order 34(1), I have the honour to table, in both official languages, the report of the Canadian group of the Inter-Parliamentary Union, which represented Canada at the special session of the Inter-Parliamentary Council on the occasion of the 50th anniversary of the founding of the United Nations, held in New York on August 30 and September 1, 1995.

* * *

[*English*]

PETITIONS

HUMAN RIGHTS

Mr. John Bryden (Hamilton—Wentworth, Lib.): Madam Speaker, pursuant to Standing Order 36, I am pleased to rise in the House today to present a petition from the constituents of Hamilton—Wentworth. They call on Parliament to amend the Canadian Human Rights Act, to prohibit discrimination on the basis of sexual orientation and to adopt all the necessary measures to recognize the full equality of same sex relationships in federal law.

• (1010)

INCOME TAX

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36, I wish to present a petition that has been circulating all across Canada. This petition has been signed by a number of Canadians in my own riding of Mississauga South.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill and the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home to preschool children, the disabled, the chronically ill and the aged.

THE SENATE

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I stand pursuant to Standing Order 36 to present two petitions.

The first is on behalf of constituents from Regina—Lumsden and other parts of Saskatchewan who are unhappy with the fact that the Senate is unelected and unaccountable, and is nothing but a home for recipients of Liberal and Tory patronage which cost Canadians $54 million a year.

The petitioners call on the House of Commons to undertake a constitutional amendment to abolish the Senate. I am happy to present this petition on behalf of my constituents.

BOVINE SOMATOTROPIN

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, the second petition is from a number of constituents from Regina—Lumsden as well as from citizens in other parts of Saskatchewan like Fort Qu'Appelle and Saskatoon.

The petitioners are opposed to the approval of the synthetic bovine growth hormone known as BGH or BST, a drug injected into cows to increase milk production. They call on Parliament to take steps to keep BGH out of Canada through legislating a moratorium or stoppage on BGH use and sale until the year 2000

and examining the outstanding health and economic questions through independent and transparent review.

The Acting Speaker (Mrs. Maheu): I am sorry, that was pretty close to debate.

* * *

BUSINESS OF THE HOUSE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, having consulted with the Bloc whip and the chief government whip, I think you will find there is unanimous consent for me to move:

That Private Members' Business will be dispensed with today, Tuesday, October 3 and that at 5.30 p.m. the time be called 6.30 p.m.

The Acting Speaker (Mrs. Maheu): The House has heard the member's motion. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CULTURAL PROPERTY EXPORT AND IMPORT ACT

The House resumed from October 2 consideration of the motion that Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, be read the second time and referred to a committee.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, the other day I had the opportunity to speak on a Reform amendment to this bill. I must admit my remarks were somewhat hurried and I was unable to review certain material before I was able to make those remarks.

Today, having had ample opportunity to reflect on the excellent material available in support of the bill put out by the office of the minister and the department, I want to again praise the minister for introducing Bill C–93. It is a very good bill. It has been earnestly sought after by members of the cultural community who appreciate the very significant donations made to galleries, museums, archives and libraries by donors who own valuable cultural treasures.

The department estimates that $60 million a year is donated to Canadian institutions. These very significant gifts are of possible tax benefit to the donor who may claim a deduction in respect to the value of the gift. I note the deduction that can be claimed in each case is only half the value. It is not the full value. It is substantially less than that. The part which is eligible as a tax credit therefore is much more modest than has been suggested in some of the remarks made by hon. members opposite.

• (1015)

Donors, museums, galleries and professional associations have lobbied for the right to appeal the determination made by the review board which currently makes determinations of value, and this bill gives that right. It is only fair, it is only just and I think the bill deserves the support of all hon. members, particularly when we look at the substantial value of the gifts made to these institutions. Without these kinds of gifts many of these institutions would not be able to acquire the very substantial works of art they now receive.

I submit this is a fair and reasonable way of proceeding and I urge all hon. members to support the bill in light of the facts and figures I have been able to bring to the attention of the House.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

And the bells having rung:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(5)(a), the division on the motion now before the House stands deferred until five o'clock today, at which time the bells to call in the members will be sounded for not more than 15 minutes.

BUSINESS OF THE HOUSE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, I rise on a point of order. I would like to reintroduce my motion which I understand now has the unanimous consent of the House. I move:

That Private Members' Business be dispensed with today, Tuesday, October 3, and that furthermore when the time of 5.30 p.m. comes that it be deemed to be 6.30 p.m.

The Acting Speaker (Mrs. Maheu): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to.)

* * *

OCEANS ACT

The House resumed from October 2 consideration of the motion that Bill C–98, an act respecting the oceans of Canada, be read the second time and referred to a committee.

Mr. Ron MacDonald (Dartmouth, Lib.): Madam Speaker, it is the first time I have spoken from the left side of my chair instead of the right side and perhaps my left leaning ideology may come out a little stronger in this speech than it has in the last speeches I have made in the Chamber.

• (1020)

I hope the bill finds a very broad degree of support by members on all sides of the House. It clearly establishes the framework of a piece of legislation, a commitment given by the government as espoused by no less than the Prime Minister to get a focus in government on the development and management of oceans and ocean policy.

The bill has been a long time in coming and has been awaited with much anticipation by many individuals and organizations dealing with the marine environment. The Canadian Wildlife Fund and many other organizations have pushed for many years for the government to come in with a piece of legislation that would consolidate the administration of all governmental activities related to oceans as well as ensure the number one prerogative and prerequisite of this policy be conservation.

If measures taken by governments respecting management of oceans and oceans policy did not pass the fundamental test of being environmentally sound, they would not be passed.

The bill affirms the commitment of the government to a new approach to oceans management. The preamble clearly outlines the government's commitment to manage the oceans in a sustainable, environmental and ecologically sound fashion.

The bill consolidates and gives impact and full effect to the laws of Canada, not just marine laws but environmental laws in our 200–mile limit. It goes through a whole bunch of definitions of the contiguous zone, the coastal zone, the 200–mile economic zone and all of those things.

In essence it puts in a single piece of legislation the regulatory legislative framework for us to act in the best interests of those who rely on our marine resource for a living. It directs government as to how it should deal with the marine environment.

Part II of the act tries to consolidate a lot of governmental activity with respect to the oceans. I have been critical about the way the government has handled the oceans generally. I have been critical for fairly good reason.

Over the years governments have come to see the ocean as a place to exploit a resource called fish. We can see this very clearly by the difficulties we have on both coasts, more poignantly perhaps on the east coast with the collapse of the ground fishery and over 100,000 people without employment. Coastal communities are dying and a way of life unique to that part of Canada is perhaps facing extinction.

It is all because governments have not been able to deal comprehensively in policy with that ocean resource. Current legislation almost ignores that there is an interrelationship between various policy arms of the government with respect to the health of the ocean resource.

It also ignores that there is an ecology within the ocean that deals with living and non–living organisms. In the last number of years Canada has worked aggressively at the United Nations. It has been one of the states that has promoted to a great extent and has perhaps been the lead nation on some of the major conservation efforts with the United Nations law of the sea.

Canada has talked a lot about the need for some international regimes to deal with oceans, to deal with those fringe areas, straddling stocks, highly migratory stocks. However, there are other issues in the law of the sea convention that Canada had some difficulty with, deep ocean bed mining, for example.

How do we reconcile ourselves as a state to that? Whose resource is this to manage? When we get on to the continental shelf there are laws dealing with our proprietary right and our management responsibilities in the water column. Perhaps they are less clear about which level of government has jurisdiction or whether the Canadian government has any legal jurisdiction for the sea bed for minerals or deep ocean mining.

There has been much debate in the last year with the Americans about sedentary species when dealing with the continental shelf. Who has management rights of those species? Who has the right of first exploitation and who has the responsibility to manage? The act seeks to consolidate in a fairly substantial way all the various issues, programs and legislation.

• (1025)

I am pleased with the direction the bill has taken. I am pleased that it gives primary responsibility for co–ordination of the application of these pieces of legislation and regulations to the minister of fisheries. However, being from Missouri, I am yet to be convinced the bill goes as far as it should to ensure a sharp edge to the sword in the management and policy development dealing with our marine resources.

I am a bit confused that in the bill we give the minister of fisheries primary responsibility for co–ordination. I would rather see a direct line of accountability for the administration of some of the acts which still fall under the purview of other departments and other ministers.

I think back to the dispute we had not long ago when two ministers worked very well together in dealing with the turbot dispute with the European Union, more particularly and poignantly with the Spanish fleet decimating a straddling stock. We almost saw another stock going into the record book as being extinct as a commercial and viable stock on our east coast.

We had the good fortune at that time to have the Minister of Foreign Affairs and the Minister of Fisheries and Oceans working together on a co–ordinated and combined approach to resolve and put together the Canadian position, making sure the Canadian position was put to the international community very strongly and firmly and that it was accepted by the international community. As a result of that close working relationship, sharing the same goals, we were able to save a species and defuse a difficult international situation that had arisen with respect to the turbot allocation on the east coast.

I am extremely pleased the bill is going to committee. As chairman of the committee, I want the committee to look at whether there are some pieces of legislation currently outside the direct jurisdiction of the minister, although the minister may have the responsibility for co–ordination, where we possibly can make a case that those pieces of legislation and programs should be more properly moved over to the minister of fisheries.

When we talk about downsizing and government and operational review we must look at what makes sense. The policy as stated in the preamble of the bill is one I heartily support and I hope it will be supported by all members of the House.

Part III of the bill talks about the minister of fisheries having primary responsibility for ocean research. It is an absolute given. There is more than fish in our oceans. There is more benefit than exploiting the stocks in our oceans. Ocean science in itself is a generator of wealth and employment which can be exported on our east and west coasts and in the labs of central Canada.

I want to make sure that when the bill is passed the minister of fisheries, as stated in part III, has the tools at his disposal to ensure there is proper direction and proper resources applied to the whole area of marine and ocean science.

In my riding of Dartmouth I am lucky to have the Bedford Institute of Oceanography, a world class centre for oceans research. In excess of 12,000 people produce good products. There is partnering by the scientific community employed by the government and the scientific community in the Halifax—Dartmouth area. Some of that technology is being exported around the world.

In that facility the geological survey is doing incredible work. The work of the labs on the east and west coasts is leading science around the world. People from educational and academic institutions and other governments around the world come to see how we do our research in Canada.

I get concerned, however, that lab is not under the direction of the Minister of Fisheries and Oceans. It is under the direction of the Minister of Natural Resources. It is not the primary objective or job of that department to ensure that deep ocean science has a pre–eminent position in terms of allocation of departmental resources.

• (1030)

At the same time, we have provisions dealing with deep ocean dumping, which seems to me should more likely be over with the Minister of Fisheries and Oceans. Currently, although there would be a requirement in this act to see the Minister of Fisheries and Oceans as the lead, it does not hand that particular responsibility over to the Minister of Fisheries and Oceans.

We have a chance through committee to show two things. One is that the committee can work. I have an incredibly good committee, and I am very proud as chairman to say that most of the work we do is non–partisan. Sometimes we fall prey to the fact that we are practitioners of the political profession and sometimes we become partisan.

As a chair of a committee I want to let everybody in this place know that I believe there is a proper role for a committee to play with respect to examining legislation. I am hoping that when this bill passes second reading and gets to the committee we in the committee will do a fairly exhaustive review of this bill and will be able to come back with a bill that is true to the principles

and if necessary strengthens the hand of the Minister of Fisheries and Oceans.

Mr. Mike Scott (Skeena, Ref.): Madam Speaker, we have talked in the House about Bill C–98 and the problems we have with it. The problem is that along with the consolidation of government regulations this bill also opens the door for the government to increase what it euphemistically calls access fees, but which we all know is a tax on fishermen. We know that the plans are to raise taxes 400 per cent on a segment of our society that can least afford it.

The minister had a choice. The minister knew his budget was going to be cut and he had a choice. He could cut spending, he could deal with the bloated bureaucracy here in Ottawa and in other parts of Canada where they have these ivory towers, or he could raise access fees or taxes on fishermen. He chose to go after the fishermen. As I said earlier, these are people in our country who can least afford to pay a massive increase at this point in time.

Let us talk about access for a minute. I think that is an interesting subject, given this government is supporting an aboriginal fishing strategy on both coasts that allows special access to a resource based on race. The aboriginal fishing strategy, this government policy, sets people apart. It treats them differently, gives them different rules to live by and creates a gulf between people. It creates a mentality of us versus them. It creates divisions in our society that we do not need and we have not seen before but which are growing as a result of government policies such as this.

Not only does this set people apart by race, not only does it give different treatment to Canadians on the basis of their racial origin but it is profoundly anti–democratic at its very roots. The cornerstone of democracy is that all people within a democracy can expect equal treatment before the eyes of the law. They can expect to be treated the same as all other citizens in the democracy, in the country. This is no longer the case in Canada. We now treat people differently.

I suggest this is playing to a deeply rooted sense of tribalism. I suggest that both of these cannot co–exist within a democracy, this idea of tribalism where you have people who suggest they have special rights and should be treated differently, on whatever basis, whether it is racial origin or whether it is sexual preference, it does not matter, you name it. It is the cornerstone of democracy that we do not treat people differently, that everybody gets the same treatment in the eyes of the law. That is not happening here.

• (1035)

The fishermen on the west coast and east coast who are being asked to pay a massive increase for access to the resource look across the way and see their neighbours and fellow Canadians getting access to the same resource on a completely different basis. It is fundamentally unacceptable, I would suggest that in a democracy we proceed with that kind of policy.

We will hear members opposite say "the courts made us do it". I suggest very strongly that there is no basis in law, no basis in our Constitution. There is not one legal case that has said the aboriginal people of Canada should have special access to any resources on a commercial basis. It is completely unsupported. But these members opposite, other members before them and other fisheries ministers have said that the Sparrow decision is what has created this aboriginal fishing strategy. It is faulty and not supported. I would suggest that government following this policy is just creating divisions in our society that we do not need.

I would ask how the minister and this government can, under Bill C–98, contemplate and suggest that they are going to raise access fees to ordinary Canadian fishermen who remain in the commercial sector by some 400 per cent while at the same time they support and maintain an aboriginal fishing strategy that provides access to the resource on a completely different basis.

I suggest that what the government is doing here is not supported in the industry. It certainly is not supported from the point of view of the Atlantic Canadian fishermen I have had the opportunity to meet in recent weeks. I believe there are many members on the opposite benches who are going to have a difficult time going back to their constituents to explain why they are supporting this bill in its present form because their constituents do not support it. Their constituents are very unhappy with what the government is proposing.

In closing, I would like to say that the Reform Party is opposed to Bill C–98. We are opposed because we see the minister increasing taxes on fishermen rather than cutting his own budget and his own spending. We know there are significant cuts that can be made within DFO at the top, which would probably increase the efficiency of the organization by 400 per cent. This would get the whole fishery on a more economically sustainable basis. It is unthinkable that we continue to pump the kind of money into DFO that we do based on the value of the fishery.

I know the members opposite, particularly the member for Dartmouth and the member for South West Nova, are going to have difficulties in their ridings when they go back and try to explain to their constituents and the fishermen who live in their communities why they are supporting this legislation.

I am here today on behalf of the Reform Party to say we are not supporting this legislation. We will not support these kinds of massive tax increases wherever we find them. This bill is fundamentally flawed because of this very important move by the government to increase those fees.

Mr. John Maloney (Erie, Lib.): Madam Speaker, it gives me great pleasure to rise today to speak to Bill C–98, an act respecting the oceans of Canada. I welcome the opportunity to chat for a few minutes about why I support the bill before us.

I think it is clear to everyone at this point that there is a great need to move away from what the National Advisory Board on Science and Technology called the haphazard, ad hoc and short term measures currently employed in the management of our ocean resources. The patchwork quilt strategy is ineffective and inefficient. The national advisory board called for Canada to develop a proactive oceans policy that allows for us to plan for the future instead of just responding to crises as they arise.

• (1040)

Our ocean resources are far too important in this country. We need a management process that works better and serves the interests of all of us in the long term. We cannot afford to continue to make decisions on the management of our fisheries or the management of our other marine resources in isolation from those having to do with shipping or those having to do with environmental protection, and vice versa. Decisions on one have an impact on all others.

We need to bring all these elements together under one roof. This legislation will accomplish that by asserting our national jurisdiction over a 12–mile contiguous zone in which all our national laws regarding fiscal, immigration, customs and environmental matters will apply while at the same time creating an exclusive economic zone to assert our right to protect and manage all our resources out to a 200–mile limit, including all fish and also including all other resources.

This bill will also extend our authority out over the continental shelf. Bill C–29, passed by the House last year, established our right to protect and manage the so–called straddling stocks of fish that move in and out of the current 200–mile limit. This legislation will reinforce that measure by exerting our authority over the continental shelf itself and the resources found on the shelf.

Canada has always been a world leader in matters to do with the wise management of our ocean resources. We were one of the primary movers urging the UN to focus on the importance of this issue. Successive governments have made the case to our international partners that ocean states can and should have the right to control and protect their coastal waters. We have 250,000 kilometres of coastline, more than anyone else in the world. As such, it has always been in our national interest to seek recognition of our rights in the waters immediately off our shores.

The second thing this legislation does is to put overall responsibility for the creation of oceans management strategy in the Department of Fisheries and Oceans. We can proceed in a more organized and cost efficient manner to deliver oceans programs in a more coherent manner. The goal is sustainable development of these vast stretches of our waters. We want to exploit the oceans for ourselves, but we also want to make sure that in doing so we do not damage them for future generations of Canadians or for current and future generations of people in other countries.

Eight years ago the concept of sustainable development was first introduced in a report of the World Commission on Environment and Development chaired by the current Prime Minister of Norway, Mrs. Gro Harlem Brundtland. The principles of the Brundtland report are supported in theory at least by almost every nation in the world.

The previous government agreed with the principles in the Brundtland report and in fact made a commitment to bring in a Canada oceans act. However, no such legislation was ever introduced by that government. I congratulate this government for doing so.

Under the terms of this legislation we have before us, the Minister of Fisheries and Oceans will be responsible for the development and enforcement of a new oceans management strategy. It is going to be done with a different approach from that used in the past. It is the government's stated intention to work in partnership with oceans industries and the people in them, the various resource extraction industries and the people involved there, with environmental groups and indeed with anyone who has an interest to come up with the best plan possible.

An example given of this kind of partnership is the Fisheries Resource Conservation Council which brings together industry, educators and governments to advise on conservation in the Atlantic. The council has played an instrumental role in helping the government move to the fishery of the future. The government wants to expand this kind of partnership because it believes that these kinds of partnership approaches will bring the best results. That includes using the best scientific information from as many sources as possible.

It is not going to be a matter of the federal government determining everything itself. It is going to work with other levels of government, the private sector, educators, scientists, environmental groups and all interested parties to make sure that Canada remains on the cutting edge of research and knowledge in this critical area and more important, that Canada uses that knowledge to make the right decisions about how best to manage our ocean resources.

Hon. colleagues will also know that the government has already moved to integrate the coast guard into the department of fisheries. I think this move makes a lot of sense. Bringing together these two fleets of ships and aircraft will save the government money. This is always good news for taxpayers. It is very welcome news for my constituents in the riding of Erie. More than that, it also gives them the opportunity to use all their vessels and aircraft for both purposes, that is fisheries and resource management as well as the traditional coast guard

duties of search and rescue, ice breaking service, marine weather warnings, patrolling our coastal waters and so on.

• (1045)

In addition, the regional offices of both will be consolidated into an enlarged and improved service which means further savings and a much better co–ordination of all activities that have to do with our ocean waters.

Provision is also made in the act to allow the minister of fisheries to carry out scientific research in support of the ocean management strategy. It gives the minister the legal right to produce charts, reports and scientific data and to provide that information to those groups, organizations and individuals who have an interest in these issues. Also included is a new authority to provide guidelines under which foreign vessels can conduct scientific research in Canadian waters.

For the first time the act will give government, following discussions and advice from scientists and other interested parties, a new authority to create protected marine areas, to safeguard ocean biodiversity and to safeguard endangered species.

We all know that our oceans, particularly in our coastal communities, face a great deal of environmental stress as well as the depletion of the ocean resources through the destruction of habitats essential to the survival and growth of certain species. We need to protect these areas from further destruction. I welcome the inclusion of this provision in the act and encourage the minister to use it when scientific evidence demonstrates that it is necessary.

The point has been made by others that passing the legislation by itself does not guarantee that our oceans will be safe from all environmental damage or resource depletion for all time. If it were that simple, I am sure we would have passed a law against the common cold many years ago.

The bill puts a framework in place that will help us reach those goals. It also makes clear that we have to promote our own strategy with all the countries in the world that share oceans with us. In other words we have to make it clear that each of us is responsible for protecting them.

I urge the government and the minister to continue to make Canada's voice heard on issues such as ocean dumping, conservation of straddling stocks, the proper management of our coastal zones, circumpolar management and all other issues that have an impact on the oceans of the world.

The legislation gives us as a nation the opportunity to lead by example, to demonstrate to the world that Canadians care deeply about their ocean resources, that we want to preserve and protect them and that we are willing to put our money where our mouth is by taking long term action to do so. The oceans act signals a renewal of Canada's leadership in ocean management. I am proud of this initiative asserting Canada's role as a world leader.

Before I conclude I should like to address one point raised by the previous Reform speaker on cost recovery. The oceans act authorizes the minister to fix fees, to recover the cost of services and activities provided for under the act, for example ice breaking, traffic management and hydrographic charts. Access fees for commercial fishermen are established under section 8 of the fisheries act, not under the oceans act. The two pieces of legislation are entirely distinct.

I hope every member of the House will consider the legislation as a very positive step in the right direction and give it their support. I certainly do.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a pleasure today to speak on Bill C–98, the oceans act, an act to ratify the UN Convention on the Law of the Sea.

I will mention what I agree with and what I disagree with. I will give some constructive suggestions to make our oceans better, to improve our resource management and to ensure we have safe, clean oceans with viable populations of flora and fauna within those oceans for now and forever more.

Unfortunately we will create another level of bureaucracy with this act. There are aspects of it that actually improve, streamline and make the system more efficient, for example with the amalgamation of the coast guard. We completely agree with that. However we have created in the oceans management strategy a whole new level of bureaucracy to monitor people monitoring other people when in effect we should just be acting.

• (1050)

Unfortunately we continually study, report and analyse aspects not only within this ministry but within many others when the actual facts are already there, waiting to be dealt with. Sadly with this bill we see the same situation. Historically we can see the consequences of continuing to act, continuing to report and continuing to study.

We have seen the decimation of our oceans and the fish populations within them. The disaster on the east coast has been a profound tragedy for all people living in the maritimes. On the west coast unfortunately the fish stocks are facing an impending disaster. For years the west coast fisheries of many species have been decimated. The reason is not El Niño, not mackerel, not warm water, although they can have a contributing effect. The primary reason for the decimation of fish stocks on the west coast is poaching, poaching and poaching. That is the cold, hard reality of what has happened on the west coast. It also happened on the east coast before.

Unfortunately the ministry has been unwilling and unable to deal with it. It is not because DFO officers did not want to enforce the law but because middle management bureaucracy meddled in the ability of the DFO officers to enforce the laws which protect the environment and species for generations to come. These individuals are hiding behind their ethnic origins and using the aboriginal fishing strategy to poach and pillage our fish stock. Those are the facts.

The colour or race of persons do not matter. If they are poachers, they are poachers and they should be dealt with in the same way as other people. This ministry has been unwilling and unable to do that. We see aboriginal people poaching up and down the Fraser River. DFO officers are unwilling to enforce the law because they are afraid of being shot. On Vancouver Island Vietnamese people have been decimating the shellfish stocks in full view of other people and the DFO officers have been unable to deal with it. They have been told by the bureaucratic masters above them that they should leave well enough alone.

There are too many nets in the water. Seiners are going out into the straits of Juan de Fuca and are vacuuming the oceans. The DFO must take a leadership role to decrease the number of nets.

The aboriginal fishing strategy is a disaster. Furthermore it is illegal. Court cases in the B.C. Supreme Court have determined that it is illegal. The Sparrow case my hon. friend mentioned proved there was no legal jurisdiction for the AFS.

We should have one commercial fishing strategy for all people. It does not serve the law–abiding aboriginal people who care about and fish the resource. Nor does it serve anybody else to allow people within their community to hide behind the AFS and poach fish. The ministry has put people who are some of the biggest poachers in British Columbia in charge of the aboriginal fishing strategy. The aboriginal people know that and they are quite angry at the DFO for doing it.

As I said before, there is widespread poaching of shellfish. Widespread poaching of abalone was stopped in 1989, but everyone who lives on Vancouver Island knows that abalone is being poached.

Companies continue to dump their garbage into the oceans on the west coast and on the east coast. The ministry has been unable and unwilling to deal with it. It should be working closely with the Ministry of the Environment to develop a system to identify the people who are polluting our oceans, to enforce the law and to penalize them. Furthermore, so that it does not cost taxpayers money, the government should levy the costs for cleaning up the dumping and the pollution on the shoulders of the groups or companies that are doing it. It should not cost the taxpayer any money whatsoever to do that. The full cost and beyond should be borne by the polluters themselves.

• (1055)

I also encourage the Ministry of Fisheries and Oceans to work closely with the Ministry of the Environment and various universities across the country that are doing very interesting research in the oceans. They are also developing systems with strong commercial properties that can be sold internationally.

We as a country can be a leader in areas such as aquaculture, resource management, fisheries and oceans management. All we need to do is have the courage to identify these sectors, promote them and capitalize on them for our economy and our country. We have been far too lame and non–aggressive in this area.

I suggest that we do the following. We should give DFO officers more autonomy and stop letting them be hamstrung by middle management. I strongly encourage the minister to look at what is happening in middle management. Some of them are telling him what he wants to hear, not what is actually occurring.

When the minister went to the west coast he did a very good thing by sitting down with the DFO officers and speaking with them in a forthcoming fashion. I think he found that productive. I know they did. I strongly encourage him to continue the practice.

The sad byproduct of that meeting unfortunately is that some of the DFO officers have been penalized for being forthcoming and as a result have been removed from their positions at great cost to the ministry and at great cost to the fisheries. This is completely unfair.

We must make enforcement a priority. We must allow DFO officers to continue to do their job. We must allow them to enforce the law as it is written and arrest and penalize anybody who poaches regardless of whom they happen to be.

I put forth to the minister about a month and a half ago a new idea by which we can improve our fish stocks and generate funds for the Department of Fisheries and Oceans. It involved using salmon hatcheries.

A recent study indicated that salmon hatcheries, many of which are inefficient, do not need to exist. I gave the minister a way for the department to pay for the hatcheries and to earn revenues from them. They would become self–sustaining and would not be a lodestone around the taxpayer's neck.

I hope he pays careful attention to it. A model of it will be on the Sooke River in my riding of Esquimalt—Juan de Fuca. It is a well thought out plan and will make the hatchery self–sustaining in the future.

The hon. minister should look at new ways to manage our oceans and new ways to increase our jurisdiction beyond the 200–mile zone. The reality is that we cannot even manage our oceans in the 2–mile zone, let alone the 200–mile zone. We have to show more courage in this way. I am hoping with the amalgamation of the coast guard we can use the coast guard more effectively to arrest individuals who are poaching.

I warn once again that a lot of people are coming over from the United States of America to poach in B.C. waters because their waters are completely closed to fishing. The DFO has been completely unable to do anything about that.

The officers should also be given the ability to work overtime and the ability to do night patrols and weekend patrols when a lot of poaching occurs.

There are ways in which to generate money from something like this, so it will not cost the ministry more money. I strongly encourage the minister to look at these matters. My colleagues and I would be more than happy to help him in the endeavour to have one fishery for generations to come.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I am pleased to rise today to speak on Bill C–98 respecting the oceans act. It implements many of the key recommendations in last year's report called "Opportunities from our Oceans" by the committee on oceans and coasts of the National Advisory Board on Science and Technology.

As government members opposite have already noted, this piece of legislation does three things to implement a strategy to better manage the environment and resources of Canada's oceans. First, the act establishes Canadian sovereignty over the ocean areas and resources of a 24–nautical mile contiguous zone and a 200–mile exclusive economic zone, in accordance with the United Nations Convention on the Law of the Sea, which Canada signed in 1982 but never ratified. Second, the act develops and implements a national oceans strategy based on the sustainable development and integrated management of oceans and coastal activities and resources; this would include establishing protected marine areas. Finally, the act provides for the powers, duties, functions, and responsibilities of the Minister of Fisheries to manage Canada's oceans.

• (1100)

This is an important bill which could move us forward toward managing both our natural resources and our fishery in a manner that is more sustainable for future generations. The idea of an oceans act is certainly overdue. I am supportive of the bill in general and pleased that Canada will finally implement one of the key provisions of the United Nations Convention on the Law of the Sea.

There are areas where the act could be improved. I wish to focus my remarks today on some of those improvements and on the fact that other legislation the government has on the Order Paper may limit the effectiveness of Bill C–98.

Clause 35 of the bill allows for the minister to establish protected marine areas. However, the bill states that these areas are only for the conservation and protection of fishery resources and their habitat. These protected areas should not be limited just to the fishery. The act should also be broader so that the protected marine areas protect other endangered species and different habitats and ecosystems, not just the fishery. This would recognize the importance of biodiversity in the complex ocean environment. There should also be no take zones within these areas.

The environment minister's proposed endangered species legislation will only protect 4 per cent of Canada's total land base. A broadening of the protected marine areas therefore would signal that even if the government does not intend to protect endangered species in most of the country, at least it will protect them in our oceans.

This shows that when we look at what the government is doing to protect the environment, it is important not to look at this legislation in isolation from other government statements and initiatives on the environment.

Last week I listened to government members opposite talk about how wonderful things in this bill would lead us toward sustainable development and how the bill's regulation would extend our jurisdiction to manage and protect ocean resources and our environment. They seem to be blissfully unaware that just last week the Minister for International Trade, a minister in their own government, said that Canada will have to cede its sovereignty and environmental standards to achieve freer world trade and that the environment will increasingly be subject to harmonization under international trade agreements. So which is it? Will Bill C–98 be used to protect and sustain our oceans, or will the environment of our oceans be sacrificed on the altar of free trade?

As they talked about sustainable development and environmental regulations, the Liberal members also seemed to be unaware that their government has introduced two pieces of legislation, Bill C–62 and Bill C–83. Those bills could effectively gut the regulations in this bill and therefore prevent us from knowing if the government's oceans management strategy will ever lead us to sustainability.

Just to remind members opposite, Bill C–62 is the regulatory efficiency act and it does two things. It allows the government to sign compliance agreements with business, waiving the terms of compliance with designated regulations. It also allows desig-

nated regulations to be administered by any government, Canadian or foreign, or by any other person.

The proposed oceans act states that existing Canadian laws will apply to the exclusive economic zone. This would include the two most important federal environmental protection laws on the books, the Canadian Environmental Assessment Act and the Canadian Environmental Protection Act. Since these laws are effected mainly through their regulations, how can Canada exercise environmental jurisdiction over its oceans if Bill C–62 effectively guts the regulations of CEAA and CEPA and gives the power of environmental regulation to private corporations or indeed foreign governments?

There are also parts of Bill C–98 that simply will not work without the regulations. I refer specifically to clause 16, which establishes the fishing zones of Canada; to clause 25, which establishes the outer limit of the exclusive economic zones and makes regulations concerning a marine structure and the application of federal and provincial laws and to clause 35, which establishes protected marine areas.

• (1105)

It is technically possible that compliance agreements under Bill C–62 would replace some of these regulations. In short, Bill C–62 allows the possibility that the federal power in Bill C–98 could be administered by other authorities including other provincial and national governments.

As my final point I would like to mention that Bill C–83, which establishes a commissioner of the environment and sustainability within the Office of the Auditor General, could also limit how effective Bill C–98 will be.

I spoke at length about this bill two weeks ago and how the environment committee recommended that the environmental auditor be given the mandate to evaluate whether government policy was leading us toward sustainability. Government members opposite did not lift a finger to defend the committee's report. You may remember that the government completely ignored the important recommendations of the committee's report; 11 out of 17 of those recommendations were completely ignored.

Now clause 30 in Bill C–98 bases the national oceans management strategy on two principles, sustainable development and the integrated management activities in Canada's sovereign waters. How are we going to know if the management strategy developed under Bill C–98 is sustainable, effective, or even desirable if the new environmental commissioner cannot look at policy established by the government?

The powers of the minister under the oceans management strategy in clauses 32, 33, and part III of this bill illustrate the clear need for an independent environmental auditor who can act as a watchdog and examine whether policies and actions are meeting environmentally sustainable goals.

In conclusion, although I welcome the intent and objectives contained in Bill C–98, its passage is not enough to protect the resources and marine environment off our coasts. If the government were really serious about protecting our natural environment, about ensuring sustainable development strategies, about preserving and enhancing environmental protection regulations, about pollution prevention and about protecting biodiversity and endangered species, it would do a number of things in addition to passing Bill C–98.

The government would amend Bill C–83 so that the environmental commissioner could evaluate policy. It would immediately withdraw Bill C–62 from the Order Paper so that environmental legislation already on the books in this country is not gutted. It would bring in real effective endangered species legislation protecting habitats and it would implement the excellent recommendation in the environment committee's latest report, a review of CEPA entitled: "It's About Our Health! Towards Pollution Prevention". May this latest report of the committee fare better in the hands of the government than the last one.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

[*Translation*]

And the bells having rung:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(5)(*a*), the recorded division on the question now before the House stands deferred until 5 p.m., this day, at which time the bells to call in the members will be sounded for not more than 15 minutes.

• (1110)

EMPLOYMENT EQUITY ACT

The House proceeded to the consideration of Bill C–64, an act respecting employment equity, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): There are 17 motions in amendment in the Notice Paper concerning the report stage of Bill C–64, an act respecting employment equity.

[*English*]

Motions Nos. 2 and 12 are the same as the amendments presented and negatived in committee. Accordingly, pursuant to Standing Order 76(5), they have not been selected.

Motion No. 3 cannot be considered today pursuant to Standing Order 76(2).

Motions Nos. 1, 6, 8, 9, 10, 15, 16 and 17 will be grouped for debate. A vote on Motion No. 1 applies to all the others.

[*Translation*]

Motion No. 4 will be debated and voted on separately.

[*English*]

Motion No. 5 will be debated and voted on separately.

[*Translation*]

Motion No. 7 will be debated and voted on separately.

[*English*]

Motion No. 11 will be debated and voted on separately.

[*Translation*]

Motions Nos. 13 and 14 will be grouped for debate and voted on as follows: an affirmative vote on Motion No. 13 obviates the necessity for the question being put on Motion No. 14. However, a negative vote on Motion No. 13 necessitates the question being put on Motion No. 14.

[*English*]

I shall now propose the motions in Group No. 1 to the House.

MOTIONS IN AMENDMENT

Mr. Ian McClelland (Edmonton Southwest, Ref.) moved:

Motion No. 1

That Bill C–64, in Clause 3, be amended by deleting lines 33 to 44, on page 2 and lines 1 to 6, on page 3.

Motion No. 6

That Bill C–64 be amended by deleting Clause 7.

Motion No. 8

That Bill C–64 be amended by deleting Clause 18.

Motion No. 9

That Bill C–64 be amended by deleting Clause 19.

Motion No. 10

That Bill C–64 be amended by deleting Clause 20.

Motion No. 15

That Bill C–64 be amended by deleting Clause 38.

Motion No. 16

That Bill C–64 be amended by deleting Clause 39.

Motion No. 17

That Bill C–64 be amended by deleting Clause 40.

He said: Madam Speaker, for the benefit of members present who may not be entirely familiar with this bill and for the benefit of those thousands of Canadians earnestly watching this on television wondering what on earth this is all about, we are talking about the affirmative action bill of this Parliament. It is officially entitled employment equity.

What this bill purports to do is primarily to the public service, but any private companies of 100 employees or more doing business with the federal government are going to be going through substantially more hoops than they have in the past in meeting quotas for employment.

The amendments the Speaker has mentioned all have to do with three separate and distinct criteria. They are to remove the effects of this bill from application to the private sector.

• (1115)

If it is the Liberal government's intent to foist employment equity or affirmative action on the operations of the Government of Canada there is little the opposition can do because the government is going to do what it wants to do. However this should be carefully considered as it applies to the private sector. Private sector employers have enough trouble these days without adding one more hurdle for them to overcome.

I would also point out that the private sector by and large is light years ahead of the government in its relationship with minority groups. Much of what is done by the private sector is done in enlightened self–interest. There is nothing wrong with enlightened self–interest. A company will hire from those available the very best people it can get. They should not be acquired by a quota system, no matter how that quota system is comfortably or carefully disguised as employment equity. It is still affirmative action. It is still reverse discrimination. It still purports to set out that people are able to get jobs, advancement or opportunities based on human characteristics rather than merit.

The other amendments I have proposed that we will be discussing, which we would ask the government to consider carefully, are that the sole criteria for advancement or employment be merit. It should be understood that although there are items in the bill that purport to say that merit has not been taken out, we think it would be improved if we were to explicitly say that yes, the Government of Canada understands, appreciates and affirms that merit will be the sole criteria on which people will be hired, on which people will be promoted and any distinction within the employment will be based solely on merit.

The Speaker mentioned quite a number of amendments. Most of those amendments are consequential amendments that have to do with making sure that if there is an amendment, for example, to clause 3(2)(i) that those amendments follow through. Most of them really do not have any consequence. We are talking about just three major philosophical ideas in all of these amendments.

The third is that there is quite a convoluted procedure whereby people must identify themselves to the responsible officer to make sure that the employment equity or affirmative action targets or quotas are met. The person from the government comes in and says: "Hi, I am from the government. I am here to help you", snicker, snicker. The person comes in and says: "I am from the government, I am your employment equity or affirmative action officer and I am checking to see if you are in compliance".

Suppose this person goes into a room and everybody working in the room is black. There are 20 people working in the room. The person from the government looks at a piece of paper and notes that everyone has identified themselves as Canadians. They have not said that they are black; they have not said that they are yellow, white or green or whatever colour they might be. They have said: "We are Canadians". Technically they would not be in compliance.

This gives the compliance officer the chance to use some common sense and say: "Wait a minute, these people are definitely in compliance with the spirit of the law, if not with the letter of the law". It gives the compliance officer a little bit of flexibility.

These are the three major thrusts of the amendments we would ask the House to carefully consider before automatically saying: "We are not going to consider any of these amendments".

That concludes my short remarks on Bill C–64 at this time. We will have a lot more to say on this subject when it is debated at third reading.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, I am often shocked by the simple analysis of how our society works and sometimes does not work for the people.

• (1120)

Madam Speaker, I would like to thank you for this chance to demonstrate the merits of the Liberal approach to employment equity and to expose the destructive nature of the proposed amendment.

The effect of Motion No. 1 would be to exclude the private sector altogether from the act. This would be tantamount to repealing the existing Employment Equity Act. It is not acceptable to the government.

The motion begs a very important question because it speaks to the type of work that members of Parliament do in committees and whether they are or are not listening to what people have to say.

Did hon. members opposite hear what the business community had to say about employment equity during the hearings of the Standing Committee on Human Resources Development? Perhaps I can use this occasion to refresh their memories. The strongest proponents of the legislation were also those organizations representing some of Canada's largest employers, including the Canadian Bankers Association, the Canadian Association of Broadcasters and Canadian National.

Banks alone employ nearly one–third of all federally regulated private sector employees. W.J. Lomax of the Canadian Bankers Association, like many others who testified, stated at the hearings that employment equity "has stimulated fundamental reviews and enhancements in the bank's human resources policies and practices which have benefited everyone. It has helped us lay the foundation for managing an increasingly diverse workforce, something every employer of choice in the 1990s wants to do well".

The friends of business are speaking out against business. I have heard hon. members across the way offer their curious understanding of life in the Canadian workplace and employment equity. Here we have a party that tells the world that it is in favour of equality. It claims it is in favour of hiring on merit. It tells us to seed opportunity for all and yet attacks a piece of legislation that has helped employers clear away impediments for all Canadians.

I am going to take this opportunity to dispel some of the myths the Reform Party has been stating. The first speaker on its behalf said certain things that are not quite accurate. What does the bill not do? The bill specifically states that it does not require employers to hire unqualified people. That is what the bill says.

It also says that it does not require the federal public service to set aside merit principles. That is what this bill says. It exempts employers with less than 100 employees. The hon. member should listen to this: It does not create a rigid quota system and it makes clear this program must never cause undue hardship on an employer.

Mr. White (Fraser Valley West): That's Liberal arrogance.

Mr. Grubel: Very Orwellian.

Mr. Bevilacqua: Madam Speaker, I hear some heckling on the other side. Obviously the Reform Party has a great deal of difficulty dealing with the facts when they are presented as clearly and concisely as they have been this morning.

Canadians understand. The Reform Party couches its intentions in elegant language but the people of Canada, the visible minorities, the average Canadian, young people understand what the Reform Party is all about. Its members may think they are pulling the wool over people's eyes. However, the fact is that everyone is waking up to the reality and the type of meanspirited outlook the Reform Party day in and day out demonstrates in the House.

Madam Speaker, let me continue to enlighten the members opposite on the key issues of why employment equity builds a fairer and more just society for everyone. The Reform Party's position implies that people from designated groups choose greater unemployment, they choose lower wages, they look for more uncertainty as employees. They invite it. That is what visible minorities, aboriginal Canadians and women want. They want to make less than everybody else. That is what the Reform Party would like Canadians to believe.

• (1125)

Canadians are more reasonable. They understand that employment equity is not about favouring one group. It is the realization that in our society there is something called systemic discrimination, that people sometimes have to overcome insurmountable barriers to find work and move ahead.

The thoughts I have expressed today arise from rational discussion in every single part of the country. When people look at the statistics and at the fact that women make less than men in comparable positions and that aboriginals are being shut out of employment opportunities, they tell the government that employment equity makes sense.

Mr. Grubel: Indian affairs is doing it.

Mr. Bevilacqua: I am somewhat surprised that the Reform Party would stoop this low—

Mr. Grubel: Equal opportunity.

Mr. Bevilacqua: —and not allow Canadians from the designated groups their right to a job and to prosper like every other Canadian.

Mr. White (Fraser Valley West): I wonder why Ontario cancelled?

Mr. Grubel: It is because we do not like racism.

Mr. Bevilacqua: Madam Speaker, I am one member who is going to expose the Reform Party for exactly what it is—

Mr. Grubel: You are racist.

Mr. Bevilacqua: —a backward party.

The Acting Speaker (Mrs. Maheu): I would ask the hon. member to withdraw his comments, please.

Mr. Grubel: Madam Speaker, I am sorry. I was carried away in the heat of debate. I withdraw the remark. Is the hon. member going to identify the groups on the basis of colour?

Mr. Bevilacqua: Madam Speaker, this type of behaviour in the House which has become synonymous with Reform Party members is quite shocking. In my six or seven years as a member of Parliament—

Mr. White (Fraser Valley West): I guess we do not like social engineering, do we?

Mr. Bevilacqua: —nobody has ever used that term to describe me. While I accept the apology, I think Canadians will understand that the term used by the hon. member was unparliamentary and unbecoming of a parliamentarian.

Mr. Grubel: Are you going to identify the minorities on the basis of their colour?

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, as this is the first time I have an opportunity to rise in this House, I wish to welcome you back. You can, of course, appreciate that we have no intention of supporting the motions and amendments put forward by the Reform Party, and certainly not those aimed at exempting the private sector from the application of the Employment Equity Act.

With your permission, I would like to say that if we find ourselves with such amendments, it is undoubtedly because the Reform Party does not understand what employment equity is. What is being proposed through this bill and through various amendments is something that has been requested by a number of Canadians, especially those who submitted briefs to the Abella Commission and asked us to ensure not only that the Employment Equity Act has a greater impact on the private sector but also that it applies to the public service in general, which is what Bill C-64 will achieve.

• (1130)

We found it difficult to understand the position put forward by the Reform Party. How can they say on the one hand that the new jobs in Canada are created by the private sector, especially by small business, and claim on the other hand that the private sector should be exempted from employment equity?

Tabling a motion like the one put forward by our friends from the Reform Party is to consciously deny that greater equality in Canada and Quebec can be achieved through the private sector.

I would be tempted to say that it takes a whole lot of nerve to rise in this place and make this kind of remark.

What is most disturbing about such a position is the line we were given—and will keep hearing throughout the debate today I guess—about white people—those the Reform calls the silent majority—being discriminated against.

It will come as no surprise to you, Madam Speaker, to learn that the committee met with officials of the Canadian Human Rights Commission, who told us that 55 per cent of available jobs were held by people with the traditional white, able–bodied and non native profile, while only 45 per cent of the workforce actually fits this description. This results in a situation where individuals who belong to what the Reform Party calls the silent majority are holding 55 per cent of the jobs, when in fact they represent 45 per cent of the workforce. And they would have us believe that there is reverse discrimination?

The truth of the matter is that, deep down, the Reform Party does not believe in employment equity. It does not believe that, on the job market as we know it today, certain people find it particularly difficult to find a place for themselves, and these are women, people with disabilities, native people and members of a visible minority. I think that the Reform Party should have the courage to say that it does not believe these people are subject to any particular form of discrimination and that it does not believe that it is our duty to ensure the four classes of persons referred to in this bill can find a place not available to them at present.

When we look at statistics, there is cause for rejoicing but also cause for concern. On the bright side—and I am sure this will please the parliamentary secretary to the Minister of Health—women's labour force attachment did increase. You can see for yourself, statistics all say the same thing.

This is also true, to a lesser extent, of people with disabilities, who probably account for 7 or 8 per cent of the workforce, while making up 15 per cent of the overall population.

If you look at the situation of aboriginal peoples and members of visible minorities, you see that very little progress has been made since 1986 when the act was first implemented. There are still enormous problems which, it must be recognized, are often related to culture. However, the fact remains that there are groups which are significantly under–represented in the workforce, particularly aboriginal and disabled people, as well as members of visible minorities.

We know, of course, what the Reform Party thinks of aboriginal peoples, and we will get back to that issue later on during the debate.

The Bloc supports this bill and is particularly pleased that it also applies to the public service. Indeed, it was somewhat of a paradox to ask private sector employers to make efforts and produce annual reports, to meet objectives and related deadlines, without asking the public service to meet the same objectives and expectations. That approach was rather questionable. So, we are pleased to see that the government will impose the same employment equity objective on 300 crown corporations and on all the departments through Treasury Board.

• (1135)

We are not saying the bill cannot be improved; in fact, we will discuss that issue when we look at the motions proposed by the Bloc. We have a number of concerns, particularly as regards the establishment of employment equity review tribunals.

We were hoping the bill would include provisions providing for the establishment of an employment equity review tribunal on the basis of the actual representation of the designated groups. As regards this issue, it must be said that the government was particularly narrow-minded and stubborn in its approach, from the very beginning.

Members have an opportunity to participate in the debate today and I hope that Reform members will display the dignity and open mindedness that should guide every parliamentarian.

[*English*]

Ms. Marlene Catterall (Ottawa West, Lib.): Madam Speaker, I want to address Motions Nos. 8, 9 and 10.

It is interesting that in speaking for the first time on this bill at report stage I have just come from a meeting of the human rights committee. The committee is reviewing the process of the national strategy for the integration of persons with disabilities.

One of the key statistics presented at that meeting was that over 70 per cent of people with disabilities are not even in the labour force, that employment is a major factor in keeping close to 50 per cent of persons with disabilities below $10,000 in incomes in a year. These are people who happen to have a disability. It does not mean they have no ability.

Employment equity goes to the very heart of why people in our country with substantial ability have not had an equal opportunity to participate in the labour force, in the economy and to be considered full, equal citizens in the matter of employment.

One only needs to look at the recent edition of *Canadian Social Trends* at an article on the employment of people with disabilities. More than half of young people with disabilities were unemployed.

If we look at any of the designated groups, we know that as a society we have not been colour blind. We have not been blind to disabilities. We have not been blind to race and ethnic origins. We have not been blind to gender when it comes to employment.

Bill C–64 is about getting rid of all blinders that have somehow made us incapable of seeing the abilities of these people to contribute through employment, to earn and to be self–sufficient through employment.

Let me speak to Motions Nos. 8, 9 and 10. They go to the heart of how we as a society monitor and how employers monitor how well they are doing in taking their blinders off when it comes to employment, promotion and training opportunities and being fully equal opportunity employers.

I have great concern over these motions. I do not understand how members of the House and the public should no longer receive an annual report from the minister consolidating information that employers have already collected as required by the Employment Equity Act. It is not only the reception of that information by the minister, it is the public awareness of that information and the awareness of that information by Parliament that allows us to make good public policies.

The impact of the amendments in Motions Nos. 8, 9 and 10 would be extremely damaging to Bill C–64. If implemented they would remove the most effective tools we have to monitor employment equity performance of individual private sector employers. More to the point, they would eliminate the means for Parliament to chart progress in achieving workplace equality and to ensure accountability.

• (1140)

The annual reporting requirement is as much about motivation as it is monitoring. We heard from numerous witnesses before the human rights committee about their experience over the last seven years with the Employment Equity Act. They said the Employment Equity Act had led them to take a look at their hiring practices, to improve their hiring practices and to eliminate discriminatory practices of which they had not been aware. Many of them said to us it had substantially improved their human resources management and the quality of their workforce.

The reporting which the Reform Party seeks to eliminate allows employers the chance to see how they measure up against other employers. The information forms part of the criteria for targeting the advice and assistance to employers that human resources development will offer in strengthening those employers' employment equity programs. Far from being heavy handed, the reports are an invaluable instrument to help government work more co–operatively, effectively and constructively with the private sector.

Furthermore, the annual reports improve the functioning of our labour market by providing detailed information to organizations whose purpose is to place members of designated groups and other Canadians and improve their opportunity to participate in the workforce. These organizations use the information to assist their clients in targeting their job search and training programs.

Equally critical, they have been of paramount importance in enabling legislators to assess the appropriateness of provisions of the act and the practical operation of employment equity legislation in the real working world. Many of the changes the bill before us makes to the Employment Equity Act, which has been in place since 1987, are the result of the experience over those seven to eight years and of the information received not only by the minister but by Parliament and by the public as to how the previous legislation was working.

The yearly reports are our window into the workplace providing data for research and evaluation of employment equity principles and methods. The insights we gain from this annual procedure are as useful to us as they are to Canadian employers, to labour and to members of designated groups. The major change in the bill is to include the Public Service of Canada. I hesitate to say that most segments of the private sector are doing better than the Government of Canada in their employment of people who have traditionally been disadvantaged in their employment advancement and training. We as a government have a great deal to learn from the private sector and we learn it largely through reports from the private sector.

They serve another useful function. The minister's annual employment equity report is a major tool for public education on the principles and progress of employment equity in Canada, a major tool for keeping us accountable for our progress in allowing all Canadians to participate fully in all segments of society.

Annual reports on measures taken and results achieved have been crucial as monitoring and motivational, dare I say self–motivational, measures in the private sector since 1986. They have recorded the steady progress the private sector has made in achieving a more equitable and representative Canadian workforce.

They have however also focused our attention on areas of weakness, reinforcing the need for the new employment equity legislation we have before us today. Anyone who questions the need for these provisions in Bill C–64 need look no further than the latest statistics. Annual reports indicate that despite significant progress for some individuals in the designated groups much more remains to be done. I referred to some of those statistics this morning. I expect fully to refer to more for the other designated groups as this debate proceeds.

• (1145)

The reports show that even for those members of the designated groups that were employed, most did not see the same wage gains and promotion opportunities of other Canadians. Women, aboriginal peoples, persons with disabilities and members of visible minorities continue to find themselves on the bottom rung of the economic and social ladder.

Until we see parity in the workplace there will be an ongoing need for reporting to measure progress and to further progress. I therefore urge the House to reject the amendments put forward. Perhaps we sometimes do not like what we see when we report on ourselves but it is important that we look in the mirror and improve the situation.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a pleasure today to speak on Motions Nos. 8, 9 and 10 of Bill C–64 which deals with the employment equity issue.

I would like to say at the outset that the impassioned speech by the deputy whip illustrates many of the concerns we in this party have. We want to ensure that all people in this country have equal opportunity to become the best they can become for themselves and also their families.

We are particularly concerned in the Reform Party about those individuals who are on the lower socioeconomic strata within our society, to identify why they are there and to give those people the tools and the opportunities that will enable them to stand on their own two feet and become economically self–sustaining so that they and their families can enjoy happier, more fruitful and productive lives.

Employment equity does not do this. It is in fact highly discriminatory. It says to a group of people who are identified by the government that they cannot compete because of the colour of their skin, because of their gender, because of their religious background or wherever they came from. That is what it says. It is a government designation. It is also insulting.

As a person who is made up of many different ethnic groups, and I am speaking for other people who are also from different ethnic groups, it is insulting to be told you are going to be hired on the basis of the colour of your skin. What does it say to that person? It says you cannot compete on the basis of merit, on the basis of your skills, on the basis of your qualities; therefore we in the government are going to do it for you. That, I submit to anybody, regardless of where they come from, is an insult.

Employment equity is social engineering at its worst. It is the government meddling in areas it ought not to meddle in. As I said before, it is insulting to all minority groups.

We know that governments cannot legislate on how people think. They must legislate against the expression of people's prejudices. We cannot legislate against what people think. We cannot legislate to the prejudices they hold within their heart. However, governments must legislate against the expression of those prejudices. That is the role of government: to ensure that those prejudices are not in the realm of employment, are not in the realm of living in a peaceful society within the beautiful country we have.

The role of government, instead of employment equity which is really employment inequity, is in effect providing a level playing field for all people. The deputy whip just mentioned that the people in the lower socioeconomic groups are finding it extraordinarily difficult to get on their own two feet. That is absolutely true. So how do we address the problem? We ensure that prejudices are not being expressed in the workforce. We also ensure that those individuals have the opportunities to become the best they can become. Give them the skills training or provide them with the opportunities for skills training. Provide them with the opportunities for education. Provide them with the abilities to get a job. Provide them and everybody else with a strong economy.

• (1150)

We must also as a government and as a country enforce anti–discriminatory laws. Those must be enforced strongly, and where discrimination occurs it must be quashed. That is the role of government.

People do not realize that employment equity is highly destructive to the soul of a country. Nobody takes into consideration those people who are being jumped over for a promotion because of the colour of their skin. You cannot say to somebody from a minority group that they are going to get a job over somebody else who is a Caucasian, for example. Nobody takes into consideration what that does to the Caucasian person. It is discriminatory to that person or whoever might be in their seat.

The only objective measure in getting a job is merit and merit alone. Anything else is discrimination. The social engineering this government wants to do is discriminatory in the highest extent. When I spoke about what it does to Canadian society, the government may not have been aware of how divisive this policy is. I have received many letters in my riding. I do not know who they are from but many individuals have said "God bless you for saying that employment equity is divisive".

What employment equity is doing is saying to people who are being jumped over for jobs and promotions that they are not getting them because of characteristics that have absolutely

nothing to do with merit. The characteristics that governments would apply to employment equity to ensure that subgroupings of people will get jobs have nothing to do with merit. Colour, gender, religious affiliation have nothing to do with merit and everything to do with discrimination. It is by its very nature discriminatory.

I hope we will not follow through with this. I hope the government supports these motions and helps to develop more sense and sensibility over an issue that is very sensitive.

I would reiterate that we in this party are very sensitive to the individuals who are the most dispossessed in our society. We want to create a stronger economy so they can fulfil their potential. We want to ensure that people will get the proper education. We want to ensure they get the skills necessary to stand on their own feet. We want to ensure they and their children are going to live in a safe environment.

I hope the government will join with us in ultimately putting aside and eliminating employment equity, which says to people and to companies that we need a certain number of quotas of these groupings of individuals because the law says it must be so, rather than advancing those people on the basis of merit. It also is highly destructive to an economy. If you advance people on the basis of characteristics other than merit, you actually weaken the economy ultimately.

Employment equity is prejudicial. It is discriminatory. I hope this government throws it away, as has been done in other parts of the world, such as in California and in Ontario.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I rise in the House today to debate Motions 15, 16 and 17 put forth by the hon. member for Edmonton Southwest with respect to Bill C–64.

When we consider the number of amendments the members of the Reform Party have presented to the House on this bill, it is clear that their attempt is to weaken the effectiveness of the Employment Equity Act.

[*Translation*]

Canadians often wonder whether there are differences between political ideologies. I would encourage them to listen to this debate because they will see that there are enormous differences. My colleague has just made the claim that this program is divisive. It can be divisive, yes, particularly when it is claimed that this was its intended purpose, when the reasons such a program was created are ignored.

• (1155)

[*English*]

It is regrettable that the employment equity legislation is not looked upon by my colleagues from the Reform Party as it is intended to be. They do not see that it will make this nation a fairer one in the way in which we treat Canadians. The unfairness and the divisiveness occurs when people suggest that is what it does. This legislation is something we should be proud of, not something we should be running away from.

With regard to Motions Nos. 15, 16 and 17, the hon. member is calling upon the government to eliminate provisions that are integral to administering the act's monetary penalty system. To do so would automatically eliminate the benefits inherent in such a system. It would be like telling the referees at a hockey game that they can call penalties but they cannot put anyone in the penalty box. Without these provisions it would be impossible to ensure that those private sector employees subject to the act fulfill their obligations with regard to reporting requirements. It should be noted that the monetary penalty system only applies in cases of non–compliance with the reporting requirements in the act.

Motion No. 15 calls for the deletion of clause 38. Clause 38 gives employers the option of either paying the assessed penalty or asking for an independent third party review, namely by an employment equity tribunal. Clause 38 provides employers with access to an open and fair appeal.

Motion No. 16 calls for the deletion of clause 39. This clause combines the appeal and review mechanisms. An employer can apply for the tribunal to review the assessed penalty or the commission can take further action if an employer has neither paid the assessment on time nor asked for a review.

Motion No. 17 calls for the deletion of clause 40. This clause is necessary to enable the commission to take a negligent employer to federal court to collect an unpaid assessment. If we remove the ability to take this action it will mean removing the possibility of applying a just penalty to employers who are in contravention.

[*Translation*]

I would like to stress once again that the system of monetary penalties applies only in cases of non–compliance with the reporting requirements. Only then. To date the only mechanism available to us for ensuring compliance with the reporting requirement has been recourse to criminal proceedings, an unwieldy process.

This system costs less and is less unwieldy and easier on everyone concerned. For the reporting requirement to make any sense the statute must include an enforcement mechanism. It is totally illogical to set out monetary penalties without any means of implementing those penalties.

If the government were to adopt the proposed amendments under those circumstances, the reporting requirement would be unenforceable. This is why I cannot support the hon. member's motions.

I would ask my colleagues in the Reform Party to look at the government's intentions and motivation not just with open minds but with open eyes as well. The intent is not to divide but to ensure representation for the under–represented, to ensure that they are taken into account. We are all aware that in the present system those who are not as strong as others are not always treated in a fair and equitable manner.

[*English*]

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Madam Speaker, I am delighted to debate the motions before us.

• (1200)

By way of introduction I call on the attention particularly of the Reform Party, which participated in the committee on human rights and the status of disabled persons, the committee I had the privilege to chair and the committee that looked into this issue. The members of the Reform Party on that committee have to admit as a matter of truth that the vast majority of witnesses who appeared before our committee were truly in support of the Employment Equity Act.

In other words, we strengthened what exists to include a wider coverage of the public sector and we instituted an enforcement mechanism.

We have called our report "Employment Equity: A Commitment to Merit" to give a very clear message. I submit the Reform Party has to be reminded that the cross–section of witnesses regardless of their position on legislated employment equity all agreed on at least four points, all of which we agree with. The skills and abilities to perform a job are essential. Fairness in employment practices is a necessity. Elimination of employment barriers helps ensure applicants can compete on an equal footing. In principle employment equity and therefore a realization of diversity is crucial.

However we believe Canada, a country committed to social justice, must have these sentiments in policy. What better way to show that than to put these sentiments, that commitment, into a piece of law? That is the ultimate sense of a commitment to fairness and equality. We have succeeded in having a committee which included the participation of members of the Reform Party.

If I honestly believed the motions we are now debating would clearly improve and strengthen this act I would support them but I think we can see these are only attempts to emasculate this piece of legislation. I feel they are trying to mislead Canadians. No one is being discriminated against in this employment equity law. We would only ensure that discrimination does not happen. In other words, we have the force of law. If only employers would comply with the principle of equity, and the vast majority do, then there would be nothing to fear.

Here we have enshrined in our Canadian Charter of Rights and Freedoms equality for all. However, even the charter in a subsection of section 15 ensures we must have the ability as the Government of Canada to adopt policies and programs and to pass legislation that give teeth to the principle of equality for these disadvantaged groups: women, people with disabilities, people of First Nations and people designated as visible minorities.

I am really disheartened the members opposite could not see that we must have a centrepiece for our social equity, this piece of legislation on employment equity. This is really looked on as a hallmark by the people of the world, making Canada a unique nation where we exalt the importance of excellence in human endeavour while at the same time being committed to disallowing a retreat from that. This is not about reverse discrimination. This is not about redressing the injustices of the past. This is ensuring once and for all the injustices of the past do not recur.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I appreciate the opportunity to speak to the motions put forward by the Reform Party on Bill C–64. This bill concerns me very much. The government certainly has Canadians' best interests at heart in this bill. It is attempting to redress problems in the workplace.

• (1205)

However, I find myself giving some qualified support to Motions Nos. 8, 9 and 10 and Motions Nos. 15 to 17. These motions would eliminate clauses 18, 19 and 20 from the bill which are basically targeted toward private sector employers.

I have great respect for colleagues on all sides of the House who have spoken on this subject because it is a subject we all feel very deeply about. I have serious reservations about implementing an employment equity program first for government employees and then extending it by whatever means to private sector employees.

The problems with clauses 18, 19 and 20 are they require very elaborate reporting from private sector employers about their equity programs and as addressed in Motions Nos. 15 to 17, provide penalties if they do not comply.

Private sector employers are required to give salary ranges of their employees who are in the designated group, the degree of representation of these designated persons, and it goes on about various subdivisions in order to give the government an opportunity to establish whether private sector employers are fulfilling the intentions of the act in their employment practices.

While the act unequivocally says decision by merit will be the underlying principle, unfortunately the way it is phrased it gives discretion to bureaucrats to determine whether an employer is fulfilling the obligations as described in clauses 18, 19 and 20. This sets us on a dangerous course for our social liberties as a country. However well intended we are, this does create the

opportunity for bureaucracies to determine what private employers are doing.

I hate to use the extreme case, but we would have a situation akin to big brother. Any bureaucrat may interpret the legislation. No matter how well phrased, there is an opportunity for interpretation. Unfortunately there could be a degree of political correctness, although I hate to use that term as well. There could be a mindset in the bureaucracy of a less generous interpretation of how private sector employers are treating visible minorities, women, the disabled and other designated groups.

This becomes very crucial when penalty is added. This is covered by Motions Nos. 15 to 17. Clause 36 of the act provides for a penalty of up to $10,000 for a first violation and $50,000 for a repeated or for continued violations. These violations involve failure to report or failure to fully meet the criteria in other legislation.

I have great difficulty with that because when we apply penalties the misdemeanour should be very clear. It should never be open to interpretation. It is my fear that as the bill is written it does put an unfortunate and undue obligation on private sector employers.

I recently came from the private sector and I can assure members that while the public sector may be behind in its treatment and hiring of designated groups, most private sector employers I know hire on merit and certainly try to represent all groups that come forward, and not in a discriminatory fashion.

• (1210)

It is very dangerous to think we can legislate away discrimination.

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, I find myself increasingly frustrated by the many roadblocks the Reform Party is attempting to erect to circumvent this important piece of legislation. This piece of legislation is good for Canada and for all Canadians. As parliamentarians we have an opportunity to do the right thing and this legislation will do that.

For all who believe in the principles of democracy and the noble ideals of this institution, the Employment Equity Act is a welcome reminder of the values we hold dear as a nation. It is an affirmation that Canadians are just and honourable people who passionately believe in fairness and dignity for all.

To those of us who are members of the designated groups, employment equity is about human decency and democracy. It is not about inequity. It is not about getting more than your fair share. It is about equity. It is the freedom to exercise our constitutionally guaranteed rights to participate in the political process and to make contributions to the economic and cultural fabric of Canada.

My expertise on this matter lies in my life and professional work experience and growing up in a northern aboriginal community where the chances were far greater that I would walk the halls of a penitentiary than the corridors of Parliament. That is why the Reform Party's damaging amendments disturb me so deeply. They would seriously weaken the intent and impact of the legislation.

Of all the ill conceived amendments proposed by my hon. colleague, none concerns me more than Motion No. 6. If adopted this amendment would diminish Bill C–64 by deleting the aboriginal employers exemption in clause 7. It would remove the provision that allows an employer engaged primarily in promoting and serving the interests of aboriginal peoples to give preference in employment to aboriginal peoples unless that preference constitutes a discriminatory practice under the Canadian Human Rights Act.

In practical terms this means the act would not allow municipal bands on Indian reserves to give preference to the hiring of aboriginal peoples, perhaps the most disadvantaged of the groups the legislation is attempting to assist.

It is a well known fact that many non–aboriginal peoples work in and around large populated areas of aboriginal people. That has been historically so and still is in some cases. It should be the intent of all parliamentarians to change that and make accessible employment opportunities and training in other labour market related areas available for aboriginal peoples. There is nothing wrong with that.

Indian band councils that employ more than 100 workers are subject to the Employment Equity Act. I want to be clear that this provision does not relieve aboriginal employers of the obligation to hire aboriginal women and/or persons with disabilities.

I remind the House that aboriginal peoples of Canada have a unique constitutional status affirmed in section 35. These agreements are done through the British parliamentary system as we have it here. These agreements are recognized nationally and internationally. This status demands special consideration for measures aimed at enhancing their cultural, economic and political autonomy. It rejects no one.

Historically, as I have stated, many aboriginal communities and populations have been served by non–aboriginal people, and well in many cases. There have been problems but that is not the issue. The issue is fairness.

Perhaps most important, this motion goes against the very grain of the Liberal commitment to self–government. We are determined to give greater autonomy to aboriginal communities and to put the running of aboriginal affairs in aboriginal peoples' hands. Why not? We have struggled with it as governments for 125 years. There are many problems. The aboriginal people should have the opportunity to serve themselves and to

serve themselves well. They should at least have the opportunity to make their own decisions.

• (1215)

Clause 7 of Bill C–64 supports the aspirations of aboriginal communities for economic self–sufficiency and self–determination. It simply confirms that aboriginal organizations may hire only aboriginals, provided such a hiring is justified under the Canadian Human Rights Act.

I must confess that I am very surprised that the Reform Party would take the position it has on Motion No. 6. One can only assume it is based on a profound lack of awareness of the plight of aboriginal peoples in the country. It is no secret that members on the opposite side of the Chamber are not in favour of employment equity. We know that. However, from my reading of their minority report, it appears that they still believe the Canadian Human Rights Commission has an important role to play.

There is a certain irony in the Reform's proposition. First is the fact that the commission's chair, Max Yalden, expressed his support for clause 7 when he appeared before the Standing Committee on Human Rights and the Status of Disabled Persons. In response to a specific question about the exemption he said:

> I think that aboriginal groups are a particularly disadvantaged group, a special group. The idea that native groups would, in their very special and particular situation, have a preferential hiring policy is not unreasonable.

There is another technical reason why clause 7 cannot be removed from the act. It is to ensure consistency with the Canadian Human Rights Act. I can only conclude, as did the commissioners in the Canadian Human Rights Commission annual report last year, that occasionally the tone of the opposition to employment equity seems more than a little shrill.

Thus far I have outlined the logical and legal arguments to reject the Reform Party's proposal. Far more potent are the facts of everyday life for the aboriginal peoples of the country. Discrimination is not an abstract, philosophical concept for disadvantaged Canadians. Abuse of power by a privileged few is the daily reality for members of the designated groups, particularly if they are aboriginal.

I challenge the hon. member to test the merits of his motion on members of aboriginal communities, especially those who are unemployed. Unemployment is very high. On some reserves where there are few employment opportunities the unemployment rate can rise as high as 95 per cent.

Tragically, aboriginal peoples account for the most disturbing rate of suicide. It is five times the national average. Let us think of the communities of Pangnirtung, the Whitedog reserve and Shamattawa, some communities in which we have seen many young people commit suicide. Not only do my people have the highest rates of suicide in the country but they are the highest in the world.

At the other end of the scale aboriginal people have the lowest incomes in Canada. Almost one–half of all aboriginal adults have incomes of less than $10,000. Not coincidentally they face far more crowded housing conditions. Twenty–nine per cent of non–reserve aboriginals live in housing with more than one person per room, compared with just 2 per cent of the general population. The rate is 31 per cent for Inuit people.

There is a corresponding high welfare dependency rate as well. It is 43 per cent on reserves, or almost five times the national population, and over 50 per cent among the off reserve population.

I am sure the Reform Party knows we share its view that it is better for people to be working. It is better for aboriginal people to become independent and self–sustaining than to be on welfare. It is better that we make these opportunities available than to slam doors in their faces so that progress cannot be made where help is needed.

• (1220)

Young aboriginal people are the most likely to drop out of school, to become teenage parents and to abuse substances such as alcohol, drugs and even solvents. With only 3 per cent of aboriginal teens completing high school, they have the highest illiteracy rates and lowest incomes in the country. Not surprisingly, more graduate from juvenile courts than from colleges or universities.

I would never deny the successes. We have made some progress. I am willing to stand here and admit there has been progress. However it is not enough, not at this point.

We have many graduates coming out of universities and colleges. For those who manage to rise above the daunting disadvantages, the thousands of aboriginal men and women who acquire university degrees and professional skills each year, employment opportunities still do not match their availability. The unemployment rate of aboriginal peoples with university degrees is nearly double that of white males with university educations.

That is a fact. That is the truth. It is undeniable. Those highly skilled and highly trained individuals are desperately needed in their communities. That is why the act exempts aboriginal organizations from provisions which might prohibit them from hiring these invaluable employees.

In conclusion, it is a lamentable commentary on Canadian society that the odds are stacked against far too many aboriginal people. With Bill C–64 we can start to turn the statistics around. Centuries of inappropriate and damaging policies developed and administered predominantly by non–aboriginals have taught us that it is time to let the Indian, Inuit and Metis people take control of their own destiny.

That is why we need clause 7 in Bill C–64. The focus of federal policies is on seizing opportunities. The agents of change are individuals because we are convinced that with the right support individuals can help themselves. That philosophy is at the heart of the aboriginal employers' exemption clause. A majority of Canadians recognize—

The Acting Speaker (Mr. Kilger): Order. It is with the greatest of reluctance that I interrupt the minister, but at this stage of debate the allocation is for 10 minutes. I would seek the guidance of the House.

Mr. Keyes: Mr. Speaker, I rise on a point of order. Could we have the consent of the House for the minister to wrap up her remarks on this matter in a couple of minutes?

The Acting Speaker (Mr. Kilger): It might be helpful if the minister could give the Chair some indication of how much longer she would need to conclude her remarks. If it is less than a minute, is there unanimous consent for the minister to conclude her remarks?

Some hon. members: Agreed.

Ms. Blondin–Andrew: Mr. Speaker, I am grateful to all members of the House for allowing me to complete my remarks.

A majority of Canadians recognize the terrible plight of aboriginal peoples and realize that for constitutional, social and moral reasons special efforts are necessary to reverse their misfortune.

I am proud that I count myself among them. I urge all like minded members of the House to defeat the draconian motion to ensure that we remain the majority and do the right thing by leaving the doors of opportunity open for aboriginal peoples.

Mr. Milliken: Mr. Speaker, I rise on a point of order. This morning the hon. member for Nanaimo—Cowichan proposed, in relation to Private Members' Business today, that private members' hour not be proceeded with, with the intention of having his motion that was to be debated this afternoon dropped to the bottom of the order of precedence.

I understand there is some misunderstanding concerning what he meant this morning. I think Your Honour would find that it was clear to all, except perhaps the Table and the Chair, the intention as discussed this morning was that the item would drop to the bottom of the order of precedence and we would proceed with private members' hour tomorrow in the usual way.

I simply rise to clarify that point and if consent of the House is required, to seek it.

• (1225)

The Acting Speaker (Mr. Kilger): I thank the hon. parliamentary secretary for his clarification. We all understood that the point raised by the hon. member for Nanaimo—Cowichan with regard to the Private Members' Business listed for later this day was that it be dropped to the bottom of the order of precedence. I would seek the agreement of the House. Is that correct?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): And so ordered.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise today in support of the amendment of my colleague from Edmonton Southwest to delete application of the bill in the private sector and to speak not only in favour of the amendment but against the employment equity notion and concept completely.

One of the things that frustrated me this morning in listening to the debate was that very few government members are looking at the issues and countering the points of view presented against employment equity. Rather they have chosen to be meanspirited. They have chosen to Reform bash and make this a party issue. I take exception to that. I take exception to the member for York North who rose in his place earlier today and called the Reform Party meanspirited.

I come from the private sector. I have run businesses for 25 years. I have hired and fired many people, male and female, and have had people work for me of various colours and of various ethnic backgrounds. I think I am a tough taskmaster but I am not meanspirited. I am an employer with a heart and with compassion. I believe in paying people a good day's wage for a good day's work.

I am against the government–union philosophy that once people get a job in government they cannot be let go and have a right to work. That is not correct. It is not available in the private sector. Also it is unacceptable in the private sector to have government intrude into our lives with more and more regulations.

Employment equity does that very thing. It tries to get into the lives of corporations and tries to dictate to them whom they have to hire and why they have to hire them. It is doing nothing more than social and economic engineering which this party stands against.

It is not meanspirited to be against employment equity. It is not meanspirited to point out to the member for York North that we believe the best person available for the job should be hired for the job. If those best people are 10 black people, then they should be hired. If it is 10 white people, then they should be hired. If it is 10 native Indians, then they should be hired.

If the government tells the employer that he has to hire based on a quota because the demographics of the census it has taken say that Canada is made up of certain colours and certain percentages of people that his business has to hire on that basis, then it is basically forcing corporations in a lot of cases to hire people who are not as qualified.

Mr. Keyes: Nonsense.

Mr. Silye: I hear the member opposite say: "Nonsense". My argument is that whether people are male, female, black, white, yellow, red or green as the member for Edmonton Southwest said, it does not matter. They should apply for the job. If they have the training and the qualifications they will get hired.

The employer should be free to hire. Is that not freedom? Is that not freedom of choice? Is that not in the charter of rights? What rights do employers have?

We are trying to make a better system for the country. We are trying to encourage people. It is equal opportunity that is important. It is on equal opportunity that certain members of the government are missing the point. They fail to see that we are looking for introducing and encouraging businesses to hire the best person for the job but to give the black, the white, the Indian, the yellow or whatever race, equal opportunity to be interviewed for the job. That is the kind of legislation we need to protect people. Those are the kinds of regulations that perhaps we could introduce into our system to make sure that everybody has an equal opportunity. If they do not, then they are discriminated against and then we should do something about it.

• (1230)

Employers cannot be legislated to hire certain types of people because of quotas. That is not meanspirited. That is right spirited. That is trying to put the heart and the mind in the right place to do the right thing for the right people, both employers and employees.

The government is interfering once again in corporate Canada by bringing in regulations and red tape it has no business doing. Government is better off doing other things, such as balancing the budget and getting us out of debt. That is the problem. Government wants to add to it at 3 per cent of GDP per year. The deficit is not the problem, the debt is. Legislation such as this is going to make it more difficult and more inefficient for corporations to operate and function.

In my years as an employer in the private sector, I have interviewed and hired a lot of people who are disadvantaged. I have hired people who were mentally handicapped. They did a good job in delivering internal documentation. Our encouraging them, working with them and seeing them grow in spirit, heart and mind was an encouragement and a boost for all of us. I did not need legislation to do that. Nobody ordered me to hire this gentleman.

In a company I still own, there is currently an individual who is physically handicapped. He is short and one leg is shorter than the other. He is just one heck of a good draftsman. He is a great spirit around the office and fun to have. I have hired males, females, francophones. I have hired a Czechoslovakian who can barely speak English. Nobody ordered me to do this.

I am saying this as a representative of the private sector, which I believe I am. I am about the average of the private sector. Certainly there are some people in the private sector who would take advantage of the rules but I would say the majority of people, which I represent, do not need legislation like this to tell them whom to hire and why to hire them. They are going to look for competent people, people who are going to fit into the mould of their corporations and their companies.

To have this arbitrary law that says that you must now, Mr. Silye, interview people of this nature and this type because of the census is wrong. It says this is the only classification you can look for, when perhaps the very types of people I am being ordered to hire do not have the training or the background to do that particular job.

Let us stick to the issues. Let us not bash the Liberal Party, the Reform Party. Let us talk about the merits and the demerits, the pluses and the minuses of employment equity. That is a debate. That is what the people are here to hear. That is what Canadians want to know about. Is it a good thing or is it a bad thing?

I stand today in my place to say I think it is a bad thing. If other hon. members feel it is a good thing, let them say why they think it is good. Let me say why I think it is bad. Let us not get into Reform bashing and the meanspirited kind of crap that is going on which leads to unparliamentary language. Let us just stick to the issue.

One of the biggest weaknesses of the government's argument and that of the individuals who represent employment equity is that in the name of introducing equity and equality they are, and I hope they can see this, introducing a form of inequality, a form of inequity that discriminates reversely against the very discrimination they claim they are trying to avoid.

It is the same with the Income Tax Act which is convoluted, complicated and confusing. In the name of clarification, in the name of fairness, in the name of equity the government has introduced 1,000 plus pages of rulings and amendments to clarify the Income Tax Act. By adding another 1,000 pages is that clarifying it or is that confusing it even more? It is making it worse and worse and worse. It is the same kind of thing that is going on with this bill. By preaching and supporting employment equity the Liberals are introducing more legislation, more rules that make it more confusing, more convoluted, more complicated. It is a detriment to business. It is a detriment to the hard working citizens of the country who want to move forward and get on with the job of stimulating the economy. At every turn another government law comes in with more red tape, more

regulations, more rules to follow, more auditors. Now we are going to have people auditors.

• (1235)

It is bad enough that Revenue Canada is checking our books every frigging month. It is bad enough that Revenue Canada is interpreting the rules for the government because we need money.

Let me remind all those people at Revenue Canada it is not the deficit that is the problem. Let me remind the Government of Canada it is not the deficit that is the problem. The debt is the problem and the government is adding to it. High taxes are the problem and the government is adding to that. It is bad regulations, lousy rules like this, terrible laws like this which are the problem. The government is not listening. It is continually adding to the problem.

I understand it is in the hearts of Liberals. I know they believe what they are saying comes from the heart and they feel it is helping Canadians. I believe when they say they are trying to eliminate discrimination that they are honest and sincere about it. But I am saying that in so doing they are not really eliminating discrimination, they are introducing a new form of discrimination. That is what is wrong. That is what I ask the government to reconsider.

This amendment deals with the private sector. I hope members opposite will agree it has been a good employer, has promoted the economy. Eighty–five per cent of revenue generated in tax dollars comes from the private sector. At least leave it alone.

If the government really believes in the legislation, then just apply it to the government sector. It can do what it wants with the bureaucracy. That is their baby. Do it, try it and see the inequities that will be introduced. But please support the amendment because it leaves one sector of the economy that can function viably well and will not in any way deter or detract from the intent of the bill. I know how the private sector thinks, acts and deals. It usually hires the best person regardless of race, colour, creed or whatever.

If the government is intent on introducing employment equity, go ahead and do it in the public sector. Go ahead and do it with the bureaucrats and watch the uprising that will occur. I know a lot of people in the bureaucracy are not happy with the form of affirmative action that is taking place right now.

I am asking the government to reconsider its opposition to the amendment and do something constructive. It can have it both ways. By accepting this amendment it can go ahead with the bill, if it is just applied to the public sector and leave the private sector alone. Then we will see which will end up being right.

I believe the bill is an intrusion into our lives. It is an intrusion which the government does not need to make. It is an intrusion it would be better off to avoid and leave alone. I believe that employers can be trusted. I know that for the most part private sector employers, the vast majority, can be trusted.

Mr. Speaker, I know you have a great interest in hockey. Does it discriminate against players from all over the world? No. It sought to change the rules, to bring in the best hockey players in the world. We have a National Hockey League that has every nationality playing on it. Was there employment equity introduced in that profession? No. We do not need employment equity. I stand against employment equity. I stand for this amendment and for equal opportunity for all.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, over the summer I spent my time in my riding of Windsor—St. Clair which is the centre of my universe.

I returned to this session of Parliament with a renewed commitment to employment equity. I am convinced more than ever that Bill C–64 is the right thing for Canada right now. I am concerned though, after meeting with my constituents over the summer recess, that there is a great deal of misunderstanding about both the intent and the implications of our improved employment equity legislation.

Distortions have resulted from a misinterpretation and frankly, a misrepresentation of the facts by a few. I have discovered that once these misconceptions are straightened out and the legislation fully understood, it gains widespread support. It seems to be essential that these misconceptions be corrected on the floor of the House.

I specifically want to address several of the arguments raised in the Reform Party's minority report. I am particularly concerned about the attitude that report reflects, the "I'm all right, I have got mine, Jack" attitude. I have mine so everyone else can go to hell. That is the tone of the Reform Party's minority report. The idea in it is that I got ahead and so everyone else should just try to get there on their own. I do not owe it to anybody to help them or to assist them or to do anything.

• (1240)

It is disingenuous for a woman to suggest that because she is successful, got there on her own, she owes nothing to her sisters who came before her. It is disingenuous for any of us to suggest that anyone can get to this job, can become an accountant, can become a banker or can become a painter. It is disingenuous, false and deludes the Canadian public.

The idea that as Canadians we should not acknowledge and address systemic inequities and that in promoting that view it is okay to promulgate misinformation and to promote misconceptions is anathema to the government.

The first assumption I would like to address is the assumption that women, persons with disabilities, members of visible minorities and aboriginal people are somehow enjoying special privileges that compensate for their disadvantage and that are way ahead of the general population. Informed individuals know that nothing could be further from the truth.

The 1995 United Nations human development report concluded that it is still an unequal world. Canada in practice is still in many respects an unequal country. Canadian employers agree with this.

A witness representing the Manitoba telephone system told members of the Standing Committee on Human Rights and the Status of Disabled Persons the following:

> There is very little evidence in the workforce to suggest that in the absence of affirmative measures or some intervention equality will indeed occur. We live in a society that prefers some values, some characteristics over others. The kind of legislation that employment equity represents is an appropriate intervention in the flow of business decision making.

That was stated by the private sector.

There was also the suggestion that the current Employment Equity Act has been so effective that it has eliminated employment problems for members of the designated groups. The facts speak for themselves.

The 1984 annual report on the Employment Equity Act, a copy of which all members of Parliament received, concluded that a number of Canadian companies covered by the legislation have yet to completely satisfy its intent. Of the 343 employers in the report, four employers had no female employees; 74 did not employ a single aboriginal person; 65 did not have persons with disabilities on staff; 28 employed no members of visible minority groups. This was the situation nearly eight years after the current act was proclaimed into force in August 1986.

Like other government members here today, I certainly applaud the progress that has been made over the years but I think all members will agree that we have some distance to go.

Let us look at the suggestion that the market automatically solves inequities without government intervention, a suggestion that was heard from the last speaker. That theory was clearly addressed in the recently released United Nations report, the most exhaustive examination of the issue of inequality for women in our time. It was prepared by an international team of eminent consultants and stated:

> The free workings of economic and political processes are unlikely to deliver equality of opportunity because of the prevailing inequities in power structures. When such structural barriers exist, government intervention is necessary, both through comprehensive policy reforms and through a series of affirmative actions.

I remind the House that Canada is the number one nation in the world in its human development index ranking according to the UN. However, when we look at it closer and consider women's economic positions in our society, our country drops from number one to number nine.

To add insult to injury, there are some who use women, members of visible minority groups, aboriginals and persons with disabilities as scapegoats as if we were somehow to blame for the stresses resulting from our rapidly changing economy.

We are in the midst of one of the most momentous transitions in human history. In the span of this century we have shifted through the agricultural and industrial eras and are hurtling fast forward to the information age and the knowledge economy. If the general population finds itself a victim in this vortex, imagine how much greater the impact is on Canadians who are members of minority groups, on women, on persons with disabilities.

• (1245)

It is not fair to suggest, as the Reform minority report does, that statistical data are skewed to make the case for employment equity. Canada's statistics and its statistical analyses are the best in world, so much so that our data is sought after by governments and by academics everywhere. It is true that no statistics are perfect, including those for gross domestic product, unemployment, or demographics. But does the Reform Party seriously suggest that we should abandon the pursuit of social justice and abandon the pursuit of economic growth just because there are numerous ways to read the numbers?

Incredibly, the Reform Party report also asserts that employment equity somehow hurts designated groups. It suggests that designation "carries with it a presumption of racial and gender inferiority". I would like to hear the Reform Party stand before Women in Trades and Technology, who organized a letter writing campaign in support of Bill C–64, and say that. Letters to the human resources minister urged the government to go further. Many letters stated that much work needs to be done to urge, coerce, educate, and assist employers and unions to increase and enhance women's opportunities to train and work in their industries.

These women are asking the government to modify policy and program interventions to support and encourage true equality in the workplace. They are not alone. In case somebody thinks they are alone, let me remind the Reform Party and this House that women are 52 per cent of the population.

The vast majority of witnesses before the Standing Committee on Human Rights and the Status of Disabled Persons fully endorsed the direction of our new legislation. They recognize that treating people differently in order to achieve equality has nothing to do with inferiority. It has everything to do with ensuring each and every job applicant has an equal chance to prove his or her abilities.

Recently I saw a cartoon that showed a monkey, a seal, an elephant and a dog being told by a circus job interviewer: "For a just selection, everyone has to take the same examination. Now please, I would like each of you to climb that tree". The idea that there is some ideal to which we all must conform is ridiculous. It is also discriminatory, and Canadians will not put up with it. If this legislation does nothing else, it will finally put some of these outdated and damaging beliefs to rest. It will ensure that yet another generation does not adopt the hardened attitudes held by their elders and perpetuate systemic and overt discrimination.

Employment equity is a guarantee that every little girl and every little boy will grow up in this country secure in the knowledge that each can pursue his or her dreams, that they will some day work in a world that is fair, that is equal, that is free of racial slurs and unwanted pats on the backside, where doors are always open instead of being inaccessible. They will be assured of being citizens of a Canada where they can have a fighting chance of achieving their personal career goals.

Is that intrusive? Is it really so much to ask? Today's working Canadians and tomorrow's future parents, taxpayers, and employees expect no less. The hon. members of this House must not let them down.

I am convinced that Bill C–64 is the next logical step in our nation's progress. I am anxious to get on with the job.

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I rise in the House to speak to report stage of Bill C–64, in particular the motions being given today by the third party, the Reform Party.

Some of what I have heard here in the House troubles me a great deal, which is why I thought it only appropriate that I rise and try to put down some of the myths that are being put forward by the third party through these motions. I was likewise distressed with a colleague of mine, the member for Hamilton—Wentworth.

• (1250)

We heard, and I will quote as closely as I can, the member for Hamilton—Wentworth say that the bureaucracy should not be intervening in the matters of private enterprise. We heard that the government is being intrusive, according to the member for Calgary Centre, and I will try to quote him as closely as I can: "I have chosen as a member myself to be meanspirited, but the government is trying to get into the face and get into the lives of private enterprise". Those are pretty meanspirited remarks coming from the member for Calgary Centre.

It is the job of government to ensure that things are done as properly as they can be, as we work as a team for Canada and what is in the best interests of the people of this great land. For example, when we talk about getting in the face of private enterprise, as the member for Calgary Centre has mentioned, yes, the government in matters of transportation got into the face of the transportation sector when it came to the Great Lakes and St. Lawrence Seaway system.

Would we have a national airline if the government did not intervene? Would we have a national system of airports if the government did not intervene? Would we have a Trans–Canada Highway if the government did not intervene? Would there be a stretch of road of Trans–Canada Highway between Sault Ste. Marie and Winnipeg? Of course not. Why would we build that chunk of road? Who would use that chunk of road? Very few people would use that chunk of road. Naturally private enterprises would say they are not going to build that chunk of road, it does not make any sense.

The government is here to provide the vision in order to make things happen that we know are going to be in the best interests of Canadians, not tomorrow, maybe not next week, but in the long term in the best interests of Canadians.

I will try to explain why I believe the third party amendments, the motions, and the remarks of my colleague from Hamilton—Wentworth are quite frankly outrageous and misdirected and are totally lacking in fact.

The first myth I want to touch on is that employment equity is about hiring the unqualified. We heard the hon. member for Calgary Centre take us down that road. The simple fact is that Bill C–64 does not oblige an employer to hire an unqualified person. It does not do that. Why carry the myth? It is quite explicit in fact on that point.

Let me quote Mona Katawne of the Manitoba Telephone System who testified before the standing committee on the issue. She stated: "There is no evidence that hiring from among the designated group members is a lowering of qualifications. In fact the evidence is to the contrary. There are people from the designated groups who are both available to work and qualified to work."

The fact is that our economy has surpluses of qualified people from all designated groups for many of the jobs that are out there. However, this myth persists because of misinformation, because there is a lack of looking at the facts.

A perfect example is the Gallup poll which appeared in the December 23, 1993, Toronto *Star*, just after we were elected to this place. The headline blared that 74 per cent opposed job equity programs. Let us take a look at the actual question that was asked: Do you believe government should actively attempt to hire more women and minority group members for management positions, or should government take no action whatsoever and hire new employees based solely on their qualifications? The question unfairly focused on people to choose between actively attempting to hire more women and minority group members and hiring based on qualifications. It is amazing, quite frankly, that only 74 per cent chose qualifications.

Employment equity means broadening access to all qualified people. It means giving people the chance to become better qualified.

The second myth I want to touch on is that employment equity is about redressing the wrongs of the past. When this issue has come up with constituents, I have heard people ask why today's young white males have to pay for the sins of their fathers and grandfathers. I trust that I am not the only member of Parliament who has heard that remark. The short answer is they should not. Employment equity is about today's reality, today's problems, not yesterday's.

• (1255)

The simple fact is that in 1993 white men without disabilities made up nearly 55 per cent of all workers newly hired, even though they only made up 45 per cent of the labour market. On virtually any scale people in the designated groups fare poorly in today's labour market. The issue is not what happened in 1955 or in 1925 but what is happening in 1995. There are still barriers to full participation by members of the designated groups. The goal is to end those barriers, not to create a new discrimination against someone else.

Let us look at one specific group that fares especially poorly in our labour market: people with disabilities. Only about 60 per cent of adults with disabilities are in the labour market at all. They have unemployment rates that are almost double the national average. That costs us all.

The Canadian Association for Community Living did a study that looked at people with mental handicaps. They calculated the loss to our economy from the large scale segregation of these people from our economy in terms of lost tax revenue due to unemployment, social assistance costs and lost consumption. They found that the cost to Canada's employment of keeping these people out of society is $4.6 billion a year. That is today's problem, not yesterday's problem.

The final myth I want to touch on is the issue of goals and quotas. We have said it before and I will say it again: the bill expressly prohibits the imposition of quotas. The goal setting that Bill C–64 calls for is driven by flexible targets based on real business assessments of what is doable. Those goals are tools that measure success in breaking down the barriers. In fact, business witnesses who appeared before the standing committee agreed. They have no problem with this approach.

If the hon. member for Calgary Centre had heard what went on at the standing committee he too would realize that. Do not get me wrong. The hon. member for Calgary Centre may be the jewel in the crown when it comes to employing people. He may have it right. But there are a lot of employers out there who have it wrong and the hon. member has to come to terms with that.

Bill C–64 is not designated to create a numbers mentality. Employers who adopt that mentality and attempt to short circuit the process do no one any benefit. The intent is to create a climate that encourages employers to build a better, fairer workplace through rethinking how their current processes work in practice and developing better ones.

It would be easy for the government to do as the Reform Party suggests: to step back and do nothing to address the very real barriers in our labour market today. But it will not. The costs to our economy and our society are simply too high. Millions of Canadians are not prepared to accept a system that says do not do anything and let private enterprise take care of itself. They are not prepared to accept the notion that the response to the very real economic uncertainty faced by many workers is to set group against group.

Canadians are not asking for special privileges here. Most witnesses representing designated groups made that very clear. They are asking for strong efforts to push companies to end barriers to full participation. In doing so it does not help to have the ill–informed comments made by members of the third party on this issue. They have chosen to see the world as a zero sum game where any gain by a person who is in a designated group must be at the expense of someone else. They have chosen to fan the flames of intolerance rather than trying to find the solutions that address the very real needs of more than half of Canada's workforce. It means we define merit in terms that are clear, relevant and legitimate, in terms that demonstrate we recognize diversity and the different conditions under which people live and work.

• (1300)

Bill C–64 is about creating that kind of plan in workplaces right across the federally regulated sector based on overcoming myths through action. Who said there are none so blind as those who will not see?

I appeal to the third party to overcome these myths I have addressed. I appeal to the Reform Party to withdraw its motions. It would be the right thing to do.

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, I just found out there is a positive aspect of being moved one more seat to the left. I am a little closer to the Speaker's plane of view. I appreciate being recognized in this very important debate.

This is one of the issues that really galvanizes what our party stands for. It also makes strikingly clear what lies at the heart of the Reform Party. I have very strong views when it comes to employment equity, affirmative action and government striking the fundamental policy framework that we expect our bureaucrats, our departments, our crown agencies and those businesses within the federal realm of regulation in setting the parameters of the type of behaviour we expect them to follow.

This is not the first time employment equity has been debated in the House. In the last Parliament on a number of occasions, be they private members' bills or motions put forward on days to eliminate racial discrimination, members put on record what they believed about employment equity.

In the last Parliament we may have differed substantially on our economic approaches and policies and on our social policies but there was almost a unanimity of agreement with the New Democratic Party and with the Conservative Party when it was in government about a couple of fundamental facts about Canadian society.

One was that systemic discrimination unfortunately does exist. It exists in the federal workplace. It exists in the provincial workplace and it exists in the private sector. Anybody who would get up in the Chamber and indicate they believe there is no such thing as systemic discrimination clearly is from another planet or has been living with their head in the sand for longer than I have been on this earth.

Systemic discrimination is as real as the air we breathe and is as alive today as the people who sit in these chairs. More than once I have talked from the perspective of an MP who represents the largest indigenous black community in Canada, in Preston, North Preston, East Preston, Cherry Brook, Lake Loon. Those communities have been established in Nova Scotia a lot longer than the community I was born in, New Waterford. Most people in Nova Scotia see New Waterford as more of a Nova Scotian community than the Prestons which were founded by blacks from other parts of the globe over hundreds of years.

Preston community is six kilometres outside the boundaries of my city. My city has an unemployment rate of anywhere from 7.5 to 8.5 per cent. In the almost entirely black community, a ghettoized situation from 250 years ago, there are unemployment rates upward of 80 per cent in the winter.

One of the first things I did in 1988 after I was elected to represent the good people of the riding of Dartmouth was go to the Speaker of the day. I asked the Speaker, Mr. Fraser, whether it was possible to use some of my budget to get a survey done. Our budgets were more restrictive.

• (1305)

I explained what I wanted to do. I had gone to the bureaucrats. They are good people, not racists, not bigots. I asked them what information they had with respect to unemployment levels in the black community. They said they did not have any. Why not? How can there be federal programs such as skills training, job development and re–entry programs that are supposed to help those groups most dislocated from labour if there are no statistics about the degree of the problem in a particular community?

Bureaucracies knew there were problems but did not want to quantify them. We spent $15,000 out of my budget and we quantified. There were no startling revelations except that finally somebody white in a position of authority said that the facts are the facts and they are indisputable. It was only then that bureaucracies felt comfortable trying to address the problems of barriers to entry and participation by visible minorities in my area.

I am saddened to say that seven years later I am worn down from my efforts of trying to battle systemic discrimination. Daily it becomes more systemic and rooted in the way bureaucracies operate.

The bill does not seek to tell employers they have to hire a black person or a native Canadian or a Cape Bretoner, which I am, if they are not qualified. It sets down a framework and sets out a policy objective that says: "If everybody in your organization looks like me, speaks like me and acts like me, they are more likely to hire somebody who looks like me, acts like me and speaks like me". That is not individual racism; it is the way life is in most organizations.

The bill seeks to build on the previous employment equity legislation passed in 1986 and say we have come a long way but we have a mighty long way to go yet. We cannot succumb to the insane attitudes of some on the loony right of the political spectrum and say, as the member from Windsor said: "I am all right Jack. What is your problem?"

I will tell the House what some of the problems are. A good businessman came to my office a week and a half ago. He operates without a line of credit at the bank and employs 17 to 20 people in the winter. He finances his operation through a finance company at 28.8 per cent interest. He cannot access capital through the regular sources. He has been shying away from the sheriff for 20 years. He is a black businessman. There are barriers to his access to capital from banks.

Seven years ago when we did the study the banks were angry because I fingered the banks and said there was systemic discrimination in their lending practices. They wailed. The facts coming to my office told me it was that way. How could an individual that resilient, who could operate from a line of credit from a finance company and who had no cash flow to work with stay in business? That was the best entrepreneur I ever saw.

Just think what would have happened if he was a white entrepreneur who had access to capital from the banks. Banks such as the Royal Bank have recognized that when we talk about systemic discrimination we are not pointing a finger at individu-

als; we are stating facts based on statistics and we must work aggressively within a policy framework to deal with it.

This bill simply sets out the framework. It says the government is still very much concerned that its crown agencies and corporations may not be working as hard as they should to ensure there are no barriers to participation in the federal public service, crown corporations and the private sector which is federally regulated, to ensure the people who do the hiring, the people in power, recognize they may have to work a little harder. If we deal on the other side of it with the people in the labour market, maybe the young black who wants to be an entrepreneur does not understand he could be welcomed as a client of the bank. He also has his own barriers to participation in the equity market or the labour market.

• (1310)

Sometimes that extra effort is made to say: "We will hire 12 people and we have to make sure we do not send it just to the community college". The community college in my area does not have the proper participation of minority groups. It is not proportional. If employers say they have made a commitment to hire qualified individuals, and it is all about the merit principle, they must recognize that by past practices there may be some groups in society that do not feel they are wanted at the door and do not make the application.

Employers, because they have set it out as their policy to encourage qualified members of minority groups to participate, must make sure that instead of going just to the community college they also go to the Dartmouth East Black Learners Centre and say: "We need people with these skills. Are there some people you can send for us to look at?"

That is what this bill is about. It is about setting a direction. It is about setting a goal. It is about a process whereby we remind ourselves that systemic discrimination does exist and that we can do something about it to ensure individuals are not discriminated against based on colour, language, gender, sexual orientation or any of those other things that really should not make a difference.

I hope some of the misinformation from the Reform Party's minority report is put to the test. This is not about special treatment. This is about equal treatment and equal access. The bill does not solve the problem but it is another small step in the right direction toward allowing everyone regardless of colour, race or language to develop to the fullness of their potential. Governments are setting the tone and the direction to remove the obstacles to that full participation.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, the fourth United Nations world conference on women concluded recently. I was there as a delegate. I learned that many developed and developing countries look to Canada for leadership in issues of justice, equality and human rights.

I want to place Bill C–64 in that same international context. I want to look at our international obligations and how Bill C–64 will help us meet them. I want to consider some relevant international experiences with employment equity. I want to show the bill puts teeth in our commitment to equality and shows a leadership badly needed around the world.

First I will discuss recent landmarks in understanding this issue. On August 17 the United Nations development program released its sixth human development report. Apart from the overall assessment, the report focuses on the situation facing women around the world.

I am certain every member of the House took pride when once again Canada earned the highest ranking on the human development index. It is the third year running. It told the world what Canadians already know, that this country offers a quality of life that is second to none.

I know each one of us also saw that we placed ninth on the gender related development index. Our track record on the place of women in society is not so good. Why that low? One of the factors is the economic gap between men and women. Money talks, and in Canada right now that means men shout while women whisper. Some in the House say there are very good reasons for this gap. They say we should just stand aside while the market works its mysterious forces. This is not what the authors of the United Nations human development report say. They point out that trickle down theories and laissez–faire approaches do not work particularly well to raise the economic status of women:

> The free workings of economic and political processes are unlikely to deliver equality of opportunity because of prevailing inequities in power structures. When such structural barriers exist, government intervention is necessary both through comprehensive policy reforms and through a series of affirmative actions.

The government understands the need for real action. This bill addresses that need by making markets work better. It will help women enter occupations that traditionally have excluded them. It will help women make their way from lower wage occupational ghettos.

• (1315)

In 1993 in British Columbia women in full time occupations earned 67 per cent less than men. In 1993 in British Columbia women who had post–secondary education earned less than men with a grade 10 education. In 1993 in British Columbia, 99 per

cent of secretaries and stenographers were women, but they still earned 79 per cent less than male stenographers and secretaries.

We need this bill to remove the glass ceiling that still restricts women in many workplaces. It will do the same for aboriginal people, persons with disabilities and members of visible minorities.

Bill C–64 is consistent with our international obligations. For many years Canada has been a signatory to international agreements on discrimination, human rights, women's rights and labour force issues. Let me touch on a few of these.

The United Nations has a number of conventions that cover equality issues. The convention on the elimination of all forms of discrimination against women commits us to pursue the equality of the sexes. Article 24 reads:

> States Parties undertake to adopt all necessary measures at the national level aimed at achieving the full realization of the rights recognized in the present Convention.

This includes modifying, and I quote again from the United Nations:

> —the social and cultural patterns of conduct of men and women, with a view to achieving the elimination of prejudices and customary and all other practices which are based on the idea of the inferiority or the superiority of either of the sexes or on stereotyped roles for men and women.

Bill C–64 begins to take those steps.

A similar commitment exists as a result of the United Nations International Covenant on Economic, Social and Cultural Rights. Article 7 touches on that. It says that states parties to the covenant recognize the right to "equal opportunity for everyone to be promoted in his employment to an appropriate higher level, subject to no consideration other than those of seniority and competence".

Thirty–eight per cent of Canadian persons with disabilities find it difficult to achieve promotion in the workplace.

This bill is about finding and removing the barriers that prevent designated members from realizing their legitimate aspirations in the workplace of this country. Equal opportunity means removing barriers so people can get to the starting gate equally.

There are many conventions I can talk about: the international covenant on civil and political rights; the international covenant on the elimination of all forms of racial discrimination; and a number of international labour organization conventions.

Article 2 of the international labour convention says:

> Members must undertake to declare and pursue a national policy designed to promote equality of opportunity in respect of employment and occupation.

It says that each member must undertake to enact such legislation as may be calculated to secure acceptance and observance of the policy. This is what we are doing here with this bill.

Canada must take its international commitments seriously. We negotiate, we sign, we lead, we ratify these agreements with the intention of living up to them, or else why do we do it? It is certainly true with conventions on human rights and workplace issues.

We can and we do point with pride to Bill C–64 and the existing Employment Equity Act, because as a predecessor it is an example of how this government wants to work to make equality of opportunity a real goal, not just something airy–fairy that we just talk about.

Canada is not alone in this process. Other countries have signed these conventions and many are dealing with the same issues we are dealing with here today.

For example, Australia is a country with which we have much in common. We are both senior members of the Commonwealth. We share similar constitutional and legal traditions. We both have significant aboriginal and visible minority populations. Persons with disabilities have become prominent advocates for their own cause. Women are taking a lead in society. Like Canada, Australia has an employment equity act too. Like us, they recognize an obligation to break down barriers and they are doing so.

Let us look at The Netherlands. The celebration of the 50th anniversary of its liberation by Canadian soldiers has reminded us of our close ties with The Netherlands. When the Dutch government looked for a legislated approach to promote the full integration of their immigrants into the labour force, where do you think they turned? Which country do you think provided a model of effective and appropriate legislation? Canada.

Examples such as that show why Canada can attend international conferences with real pride. Regardless of the issue we can point to initiatives we have taken at home, co–operation with other countries and a commitment to results. This is true on workplace issues as well as human rights issues. We have much to do in Canada, however. This country has consistently tried to do more than meet a minimum standard. We have been motivated by the caring and tolerance of our society to do better.

• (1320)

We realize that equality of opportunity means much more than the absence of formal discrimination. It means building a climate that encourages everyone to participate in our society and our economy. That is becoming a lesson to the world. Many

countries are coming to grips with equality issues. We are leaders. They look to us for leadership.

Canada has a distinguished history in human rights in the rest of the world. Countries that are looking for effective ways to improve human rights within their own borders are also looking to Canada. Countries that want to recognize their growing multicultural nature are looking to Canada. I saw over and over in Beijing how everyone turned to Canada for leadership. Everyone felt that Canada is the country in the world they all want to aspire to become.

The Canadian approach to employment equity is a real contribution to the international community. It starts with the idea that all Canadians share a commitment to opportunity and a willingness to find solutions. It speaks to the finest qualities in our national spirit. Passing this bill will send an important message to a world that needs more of this spirit and looks to Canada to lead the way.

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, in the 1980s Judge Abella coined the phrase employment equity because she rejected the term affirmative action. Employment equity is a Canadian concept.

There are a lot of myths surrounding the issue of employment equity, as some of my colleagues have already pointed out. The recent publicity surrounding the affirmative action policies in the United States and employment equity in the recent election has led some people to some inaccurate conclusions. They get the impression from the media that suddenly Americans, including the U.S. Supreme Court, are turning against affirmative action en masse. A vocal few seem ready to jump on the bandwagon, asking: "If the Americans are not going to keep it, why should we?"

Before everyone falls for the myth that fairness in the workplace has fallen into disfavour all across North America, let me quickly review the facts. The real story is that programs that affirm employment equity are alive and well on both sides of the border. The most compelling argument for employment equity is that people actually want it.

Let us look at the situation in Ontario, where roughly two-thirds of businesses responding to a poll just after the recent election reported they are in favour of reforming or keeping that province's employment equity law as it is. Only 8 per cent said they would cease implementing employment equity initiatives if the law is repealed, with 69 per cent saying that it would not have any impact on their company's equity plans. That sentiment is reflected in comments by the director of human resources policy for the Canadian Manufacturers' Association. Ian Howcroft was reported as saying that many of their members have already started employment equity initiatives and that he believes most of them will continue.

Many members of the private sector are strong proponents of employment equity. They recognize the benefits to their corporation, benefits in terms of improving quality of working life in their organization and in real financial benefits. Unlike the members of the Reform Party, these corporations are moving their companies into the 21st century. The Reform Party members think we should still live in the 1950s world of Ozzie and Harriet.

Mr. Milliken: 1850s.

Mrs. Kraft Sloan: Part of the misunderstanding of the bill arises from the myths created in the recent Ontario election. Employment equity is not about quotas. Moreover, this bill specifically states that employers are not required to hire unqualified members or create new positions to satisfy the legislation's requirements.

The federal legislation takes a human resource planning approach to employment equity, relying on consultation and negotiation to achieve workplace goals. I know about this approach firsthand, as I worked as a consultant to the Ontario universities in developing training materials for employment equity.

Another prevalent and incorrect assumption is that the federal employment equity is a carbon copy of American affirmative action policy and furthermore that Americans are now rejecting it out of hand. Neither belief is true. Let us start with the most controversial features of the U.S. affirmative action program, set asides. Set asides require that a specific percentage of government contract funds go to minority contractors. These are mandatory preferences dictated by law. Polls show that although most Americans favour affirmative action, they are opposed to this kind of preferential treatment. I want to set the record straight on this point. There is absolutely no equivalent to set asides in the Canadian approach to employment equity. They simply do not exist and have never existed.

• (1325)

Let us look at the recent U.S. Supreme Court decision on affirmative action. Some people have a vague notion that this decision somehow struck down federal affirmative action programs, but let us look again. First, this decision was about set asides, which do not exist in Canada. Moreover, the Supreme Court decision did not strike down any federal laws or dismantle contracting policies, nor did it decide they were unconstitutional. The court simply requires federal affirmative action programs to meet the same standards of review already in place for state and municipal affirmative action programs, namely that the program serve a compelling interest and that it be narrowly tailored to achieve that purpose.

The bottom line is that no program was struck down by this decision. On the contrary, seven out of the nine justices confirmed that sometimes affirmative action is indeed required to counter the effects of systemic discrimination.

President Clinton pointed out that leading economists and distinguished American business leaders report their companies are stronger and their profits larger because of the advantages of workforce diversity. They insist that regardless of legislation they will pursue affirmative action because it is the key to future economic success in the global marketplace. Indeed, as I stated earlier, it is the Canadian corporations and the private sector that are very strong proponents of employment equity. The Reform Party purports to be a party for business special interest groups, so why can it not listen to the leaders in the private sector?

Seeking solutions to employment inequality is precisely what Bill C–64 is about. The objective of our legislation is to ensure equality and justice for all. Canadians have an unwavering faith in values of fairness and equity. We believe heart and soul that there should be no discrepancy between our words and our deeds. We are determined that our constitutionally guaranteed rights should be a daily fact of life for every child, woman and man in this country. Equality and equity is the very foundation of our nation.

It is in fact because of our employment equity legislation that we are on the leading edge in preparing this country for the unparalleled demands of the 21st century global economy. While we still have more to do in ensuring that all Canadians achieve their potential, our experience with employment equity has made us a world leader in the field, acting as a role model for other nations designing equity legislation. That is not rhetoric, but a reality of which every Canadian can be proud.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I was not really going to participate in this debate today in light of the excellent interventions by a number of my colleagues. Then the hon. member for Calgary Centre got into the act and started spouting the most unbelievable nonsense, so I felt it was necessary to correct some of the statements he made. Really, I was shocked. He worked himself into a real lather in the course of his speech about the evils of employment equity, which I thought most Canadians accepted.

I have some quotes which I think are going to leave him speechless. He will wish he had not spoken. He pretended he was speaking on behalf of the entire private sector in Canada in speaking to this set of amendments moved by his colleague, the hon. member for Edmonton Southwest.

I am surprised that a relatively enlightened member of the Reform Party would propose the amendments the hon. member for Edmonton Southwest has proposed. One suspects that his leader told him this was caucus policy and since he is the critic he had better propose the amendments, so he did. I am sure in his heart of hearts he wishes he did not have to put forward such ridiculous amendments. What he is really doing is gutting this bill. He is taking out all references in the bill to the private sector.

The private sector has lived with this legislation now for many years and has functioned with it. I have spoken with constituents of mine who are bound by this legislation, not because it is binding on them specifically but because if they wish to contract with the federal government they are required to comply with it. They have been in compliance for some years, with some initial discomfort but not significant. They have found that their workplace has improved as a result of their compliance with this legislation. That has been the experience of most of the private sector employers affected by this legislation who have found that compliance is not all that difficult. Not only is it not difficult, it results in a better working environment in the places where it has been applied.

• (1330)

The hon. member for Edmonton Southwest must know this experience. He is a man of affairs; he has travelled around and has some businesses in the country. He must know the hon. member for Calgary Centre was talking through his hat this morning when he spouted the nonsense about the act being a bad thing for the private sector in Canada and one that stops job creation in the country. Quite frankly that is absolute rubbish.

Mr. McClelland: He said that it was not necessary.

Mr. Milliken: I hear the hon. member. That may be so because so many have complied with the rules already. Why not leave the rules in place? If everyone is complying and the rules are in place, fine, it does not do any harm to have them there. Yet the hon. member for Calgary Centre spouted absolute rubbish. He suggested that we did not need the bill at all and that we should scrap it. That is what these amendments do and I am not in favour of the amendments.

City police forces, national chartered banks, multinational computer companies and more and more Canadian employers are enjoying the benefits of workplace inclusiveness and fairness, with good reason. Margaret Wente wrote in the *Globe and Mail* that employment equity programs were "spreading, not shrinking. Their biggest boosters are powerful, middle aged white men—.They need diversity in their work forces, not to remedy past injustices but to be more successful".

The business argument for employment equity is straightforward. As our population becomes more racially diverse, it is essential that a company's workforce reflects the market it wants to sell to. This is increasingly true in the international marketplace. Business organizations ranging from B.C. Hydro to North American Life Assurance and the Bank of Montreal realize this reality and fully endorse equal opportunity employment. Many of those employers appeared before the committee. The hon. member for Winnipeg North who is chair of the committee heard those witnesses. He has spoken about it and

will continue to speak about it in the course of the discussion on the bill.

They and other progressive employers have instituted employment equity programs in their workplaces not out of benevolence but out of good business sense. They have discovered that the best argument for employment equity is the bottom line.

Black & McDonald, the Toronto based mechanical and electrical services contractor, is an example in point. Many of the people hired as maintenance mechanics and building supervisors over the past few years were recent immigrants due as much to a skill shortage in Canada as to the firm's employment equity efforts. The company reports that the performance of this division has improved dramatically, which it credits to its highly skilled, hard working visible minority employees and the market potential they represent. More and more satisfied customers have resulted in more and more contracts for Black & McDonald.

A recent Conference Board of Canada study found that half the employers surveyed capitalized on Canada's ethnocultural diversity to expand their market share. That trend will only increase. By 2001 visible minorities should form 48 per cent of the consumer market in Toronto, 20 per cent in Montreal, and 39 per cent in Vancouver. Firms that fail to act quickly will be left behind in a country experiencing huge population growth among designated groups.

Upwards of three–quarters of new entrants into the workforce by the turn of the next century, which is only five years from now, will be members of the designated groups. At a time when human capital far outweighs location or physical resources, it is imperative that employers maximize their people potential in the workplace.

Canadian Imperial Bank of Commerce chairman Al Flood put it very well when he said:

> The issue of underemployed intellectual capital is a major one for Canadian business in a competitive global society. A business in a complex, changing world needs more than one point of view. Those diverse views will only flourish in an environment uncontaminated by notions of ability based on gender, race, religion and so on.

The key word in that quote is ability because employment equity is really about assuring equal opportunities to individuals qualified to do the job. We are not talking, as the previous speaker said, about quotas. We are talking about ability, about assuring equal opportunities to qualified individuals. It is no coincidence then that half of all CIBC managers are women. Canada's banks have one of the best records in the economy for building diversity into their workforce. Yet never do we hear that such progress comes at someone else's expense.

• (1335)

While I am on the subject of someone else's expense I quote again from the little green book of the Reform. I have a quote here from the hon. member for Beaver River that will be instructive. Perhaps it explains in part the silly amendments of the hon. member for Edmonton Southwest. She said: "Women are just trying to lift themselves up to the detriment and expense of men". This is what the hon. member for Beaver River says. I presume she believes this nonsense. I suspect what happened is that she has been sitting there listening to her seatmate, the hon. member for Calgary Southwest, telling her that is what happens.

When the hon. member for Halifax or the hon. member for Nepean start speaking to me about lifting themselves up or changing their roles, I do not feel it is at my expense. I have never felt that it was at my expense. I am sure my male colleagues on this side of the House would share that view.

Our female colleagues are not getting additional rights at our expense. If they get any additional rights we are all improved by them. There is not a finite supply of rights. Rights are created because individuals are there. Because individuals get rights does not mean the rights of someone else are necessarily diminished. Some may feel that way, but I suggest it is not true that they are necessarily diminished. The extension of the rights granted by this legislation have benefited all our society enormously.

I do not know when the hon. member for Beaver River made this quote. Unfortunately the little green book, or "The Gospel According to Preston Manning and the Reform Party" as its other title reads, does not tell us when the quotation was made. Nevertheless the words are written down and I am sure the hon. member for Beaver River could not explain them away.

Another very short quote from her is: "I am basically a Tory". I do not know why she is in the Reform Party if she is basically a Tory. She should help the hon. member for Saint John. Then we have a famous quote of her leader, the hon. member for Calgary Southwest: "Deborah Grey is the prairie Margaret Thatcher". What a fire that is.

The Acting Speaker (Mr. Kilger): Order. I know the member is a very experienced member, but from time to time the Chair must remind members of certain rules of the House.

Although he might be quoting from a text, those words are still attributed to whoever has the floor in the House. I would encourage the member to refer to member's ridings as the tradition and the rules of the House call for and not by proper names.

Mr. Milliken: Mr. Speaker, I was being very careful only to use the proper name when it was in the quote. I was being very careful not to use it in any other sense. That is why I said the hon. member for Calgary Southwest used the words: "Deborah Grey

is the prairie Margaret Thatcher". I do not think he said at the time that the hon. member for Beaver River was the prairie Margaret Thatcher. That is all I was doing.

The Acting Speaker (Mr. Kilger): On that point, I am of the understanding at this time that when any member in the House reads a quote it is just as attributable to that person as if he or she were saying it.

If I have erred I will gladly come back to the House and make that correction before all my peers, my colleagues here. However I am of the understanding at this time that any quote is attributed as if the person himself or herself is saying it. I will come back to the House if necessary.

Mr. Milliken: Mr. Speaker, that is fine. I accept the admonition. I have finished my quotes in any event.

Those with the most experience with employment equity are usually its staunchest defenders. With nearly two decades of equity programs in the workplace Sun Life Assurance vice–president Lucy Greene says: "It is just part of our thinking. It is good business sense. Everybody should be doing it".

Few would agree more than Troy Peck, a 25–year old administrative assistant with the planning department of the city of Vancouver. His employer adopted employment equity in 1976 when Troy was still a little boy with a spinal tumour whose future employment prospects did not look promising. Thanks to employment equity this qualified young man who uses a wheelchair found his job on the basis of merit. Troy told the Vancouver *Province* this past summer:

> Employment equity gives you the chance not to be automatically dismissed as an applicant because of your disability. It gives you the chance to show you are skilled and able to perform.

• (1340)

That is all any member of the designated groups is asking of the House. They just want an opportunity to prove that talent comes in all kinds of packages. They ask us to remember that what is important is not the package but the gift inside it. Our gift to future generations in the country must be the assurance that we will give every last young woman and man that chance. With Bill C–64 unamended we can do exactly that.

I urge hon. members of the Reform Party to withdraw these amendments and proceed with the bill as it stands.

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I am pleased today to rise in the House to speak in support of Bill C–64, the Employment Equity Act.

The fourth United Nations world conference of women concluded recently. An event like that has many benefits for Canada. One is that it gives us an international context to assess how well Canada has done and how far we have to go.

During my remarks today I want to place Bill C–64 in that same international context and to look at our international obligations and how Bill C–64 will help us to meet them. I want to consider some relevant international experiences with employment equity. I want to show that the bill puts teeth in our commitment to equality and shows the kind of leadership that is badly needed around the world.

Let me begin by discussing a recent landmark in understanding the issue. On August 17 the United Nations development program released its sixth human development report. In addition to its overall assessment the report focuses on the situation facing women around the world.

I am certain that every member of the House took pride when once again Canada earned the highest ranking on the human development index. It told the world what Canadians already knew so well, that this country offers a quality of life that is second to none.

However I am certain each of us knows that Canada placed ninth on the gender related development index. Our track record on the place of women in society is not good enough. One might ask why it is that low. One factor is the economic gap between women and men. Money talks and in Canada right now that means men shout while women whisper.

Some in the House say there are very good reasons for this gap. They say we should just stand aside while the market works in its mysterious way. That is not what the authors of the United Nations human development report says. They point out that trickle down theories and laissez–faire approaches do not work particularly well to raise the economic status of women. I quote:

> The free workings of economic and political processes are unlikely to deliver equality of opportunity because of prevailing inequities in power structures. When such structural barriers exist, government intervention is necessary, both through comprehensive policy reforms and through a series of affirmative actions.

The government understands the need for real action. The bill will help address that need by making markets work better. It will help women enter occupations that traditionally have excluded them. It will help women make their way from lower wage occupational ghettos. It will help organizations remove the glass ceiling that restricts women in many workplaces. It will do the same for aboriginal peoples, persons with disabilities and members of visible minorities.

Bill C–64 is consistent with our international obligations. For many years Canada has been a signatory to international agreements on discrimination, human rights, women's rights and labour force issues. Let me touch on a few of them.

The UN has a number of conventions that cover equality issues. The convention on the elimination of all forms of discrimination against women commits us to pursue the equality of the sexes. Article 24 reads:

> State parties undertake to adopt all necessary measures at the national level aimed at achieving full realization of the rights recognized in the present Convention.

This includes modifying:

> —the social and cultural patterns of conduct of men and women, with a view to achieving the elimination of prejudices and customs and all other practices which are based on the idea of the inferiority or the superiority of either of the sexes or on stereotyped roles for men and women.

● (1345)

To do that means taking real steps such as an active program of the type we have introduced in Bill C–64.

A similar commitment exists as a result of the UN's International Covenant on Economic, Social and Cultural Rights. Article 7 touches on conditions of work. It reads that states that are party to the covenant recognize the right to:

> Equal opportunity for everyone to be promoted in his employment to an appropriate higher level subject to no considerations other than those of seniority and competence.

This bill is about finding and removing the barriers that prevent designated group members from realizing their legitimate aspirations in the workplace, the barriers that still prevent people in designated groups from competing fairly for promotions they want.

There are other similar conventions that our country has signed and ratified over time. I will just name a few: the International Covenant on Civil and Political Rights; the International Convention on the Elimination of all Forms of Racial Discrimination; and a number of international labour organization conventions.

I would like to refer to the second article of ILO Convention No. 111 concerning discrimination in respect of employment and occupation which states:

> Members undertake to declare and pursue a national policy designed to promote equality of opportunity in respect of employment and occupation.

Article 3 of the same convention states:

> —each member undertakes to enact such legislation as may be calculated to secure acceptance and observance of those policy.

Canada takes its international commitments seriously. We negotiate, sign and ratify these agreements with the intention of living up to them fully. That is certainly true with conventions on human rights and workplace issues such as these.

We can and do point with pride to Bill C–64 and the existing Employment Equity Act as its predecessor as an example of the government at work to make the equality of opportunity we all want a real goal. Canada is not alone in this process. Other countries have signed these conventions and many are dealing with many of the same issues in society and the economy as we are.

For example, Australia is a country with which we have much in common. We are both senior members of the Commonwealth. We share similar constitutional and legal traditions. We both have significant aboriginal and visible minority populations. Persons with disabilities have become prominent advocates for their own cause. Women are taking on leading positions in society. Like Canada, Australia has an employment equity act. Like us, it recognizes an obligation to break down barriers and it is doing so.

Another interesting case is that of the Netherlands. The celebration of the 50th anniversary of its liberation by Canadian soldiers has reminded us of our close ties. It reminds us of the many Dutch people who have made new homes here over the years.

When the Dutch government looked for a legislated approach to promote the full integration of its immigrants into the labour force and therefore society, where did it turn? Which country provided a model of effective and appropriate legislation? The answer is Canada.

Examples such as that show why Canada can attend international conferences with real pride. Regardless of the issue, we can point to initiatives we have taken at home, co–operation with other countries and a commitment to results. Certainly that is true on workplace issues and on human rights issues.

While we have much to do, Canada has consistently tried to do more to meet some minimum standard. We have been motivated by the caring and tolerance of a society to do better. We realize that equality of opportunity means much more than the absence of formal discrimination. It means building a climate that encourages everyone to participate in our society and our economy.

That is becoming a lesson to the world. Many countries are coming to grips with equality issues. They know we are leaders. Canada has a distinguished history in human rights in the international community. Countries that are looking for effective ways to improve human rights within their own borders are looking to Canada. Countries that want to recognize their growing multicultural nature are looking to Canada.

The Canadian approach to employment equity is a real contribution to the international community. It starts with the idea that all Canadians share a commitment to opportunity and the willingness to find solutions. It speaks to the finest qualities in our national spirit.

Passing this bill will send an important message to a world that needs more of this spirit.

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, in offering my comments on Bill C–64 and the report of the standing committee, I want to go back to the fall of 1993.

[*Translation*]

At the time, Canada was in the middle of an election campaign, and the Liberal Party published a campaign program in which it formulated its commitments.

• (1350)

This campaign document explained the philosophy behind these commitments. At the beginning of the red book, our leader, the man Canadians chose as their Prime Minister, set the tone for a program I was proud to defend.

This is what he said, and I quote: "The result is a Liberal plan for Canada firmly anchored in the principle that governing is about people, and that government must be judged by its effectiveness in promoting human dignity, justice, fairness, and opportunity. This is our approach, and this election is about presenting that choice to Canadians".

[*English*]

Consider those words: "Our platform was one of jobs and growth but it was not a narrow economic platform. It spoke to a vision of society in which growth reaches everyone. It spoke to a vision of society in which everyone has opportunities in practice, not just in theory".

On this side of the House when we think about the kind of Canada that we are engaged in building, we see a united people building a great country. We see a Canada with opportunity for all. Our Canada would have a strong and sustainable economy. Our economic pie would grow bigger through the skill, commitment and innovation of Canadian workers. From the chief executive officer to the newest employee, everyone would help create the opportunities of tomorrow. The government would work with them to take on the challenges that markets alone cannot.

[*Translation*]

The workplace, always according to the Liberal vision, must reflect the diversity of the population. It must never raise barriers to prevent someone from doing a job of which he or she is proud and participating fully in the development of this country. The Canadian workplace should emulate the best of what can be found in the rest of the world.

[*English*]

That competitive economy would exist hand in hand with a tolerant and generous society. It would live with the golden rule that exists in all faiths that I have seen. Our culture, our race, our sex, none of these would be a barrier to friendship or to contribution. We would learn from each other and grow richer in the process.

In our vision of Canada people would resolve differences in a spirit of goodwill. They would know that a reasonable people can usually find common ground to work out agreements. Our Canada would be one that builds on our traditional core values of equality, justice and fair shares of the opportunities that build better lives and a better country. It would recognize, as the red book did, that we exist in this society together and not apart.

Canadians are far more than individuals driven by impersonal economic forces and narrow self–interest. We support and are supported by our families, our communities and our country. That has always been true. From the earliest days of human settlement here we have always worked best when we have worked together. It remains true to this day.

The Liberal vision of Canada mirrors the aspirations Canadians have for our country. We want to live together in progress and in peace. In a troubled world Canadians recognize just how much we have accomplished in reaching for this vision. Our ranking in the United Nations human development report is a tribute to that.

Still we know we have more to do. The situation of aboriginal people or our lower ranking on the equality of women in the UN report testify to what more we must do.

Employment equity is a basic part of making our vision real. It recognizes that equality of opportunity is a goal that we have not yet reached. It brings us closer to the ideal caring society that I believe we all want.

[*Translation*]

In other words, if the concept of employment equity did not exist, we would have to invent it. In fact, it is an essential step towards ensuring that all Canadians have equal opportunities, are aware of that fact and take full advantage of this equality.

[*English*]

Certainly there has been progress both in numbers and attitudes. For example, the Bank of Montreal's president and chief operating officer, Tony Comper, noted that representation had increased significantly in that bank between 1993 and 1994. However, what was every bit as important was the extent to which employees of that bank have bought into the equity process. They have come to understand that diversity is a business plus in our times.

• (1355)

The same is true at Union Gas in southwestern Ontario. A company with a traditional workforce of technical and office workers has built a very successful equity program. Why? Because the company has been committed to making it a success. It trains staff on issues that arise in a diverse workforce so they can understand the new expectations of customers, co–workers and the company. It builds bridges, not walls, between employees in the name of equity.

Let me quote the company's human resources manager, Maureen Ghettes: "We often look at the cost of something and not the benefit. The cost of an employee who is not interested in working with a certain group or who does not take time to understand an accent is far greater".

These business people are telling us that employment equity is both a strategic social investment and an economic investment. It is consistent with the kind of targeted action the government has adopted across its agenda. It is an action we need more of.

As the red book pointed out and as our experience tells us, people in the designated groups still have a long way to go. In the years since the original Employment Equity Act was passed progress has been slow for women, people with disabilities, aboriginal people and members of visible minority groups.

The standing committee heard from many groups with personal stories of barriers that have not given way despite years of trying. Representatives of the Filipino Technical and Professional Association of Manitoba describe the experiences of well–trained people whose credentials were simply dismissed on arriving in Canada. These people were not even given partial credit toward professional and technical designations despite their training and years of experience.

[*Translation*]

Spokespersons for the disabled described the professional ghettos to which persons with a mental deficiency are confined. They explained the problems encountered by even the best trained people who suffer from other disabilities. There may be various reasons why it is difficult for this group of workers to find a job.

[*English*]

All of these groups are telling us that they believe in Canada. They believe this country and its citizens have the generosity of spirit to see what needs to be done and to do it. They are asking for us to continue the great mission of diversity that has enriched this country from its beginnings.

The Speaker: It is almost two o'clock. The hon. member will have the floor when we come back to debate. It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

NATIONAL FAMILY WEEK

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, for 12 years now in the week leading up to Thanksgiving, Canadians have made a special effort to celebrate National Family Week.

This year, from October 2 to October 8, all Canadians will be encouraged to look inward and to contemplate the fundamental importance of our families and the relationships we have with the loved ones around us. This year's theme "Families are Forever: Enjoy Family Times" builds on the concept that families, like precious jewels, are forever and need to be enjoyed, treasured and celebrated.

The family unit is an essential building block of all societies. The ties that bind us to each other are reflections of the ties that keep the greater family, the global community, together. During this National Family Week and indeed all year long we should enjoy the time we spend with our family members and enjoy the memories of good family ties.

* * *

[*Translation*]

AUTOMOTIVE INDUSTRY

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Mr. Speaker, the federal Department of Industry has made a complete list of pressure tactics Ottawa could use to persuade the automotive industry to campaign for the No side.

To convince Hyundai, it is hinted that the government might want to recover the federal contribution for the construction of the plant in Bromont. To convince GM, there would be a reference to the $110 million loan approved by Ottawa for the Boisbriand plant. To convince other parties, there would be references to federal programs to help industry and facilitate access to the U.S. market.

It seems that the people they are counting on to do the job include Yves Landry of Chrysler Corporation, identified as the spokesperson for the automotive industry, and Maureen Darkes, the Canadian President of General Motors who is responsible for the Boisbriand plant. Leaders of the automotive industry should not give in to this federal blackmail.

[*English*]

NUCLEAR TESTING

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, many Canadians are outraged by the continuing French nuclear tests in the South Pacific and are demanding our government take a stand. While other countries have strongly condemned the French behaviour, the Liberal government reaction has been pathetically weak.

Instead of recalling our ambassador from France for consultation as the Reform Party demanded, the government lamely expressed its regret and yesterday the Minister of Foreign Affairs told a member of the House that the nuclear tests were nothing to get excited about.

Instead of standing up to France, the Minister of Foreign Affairs has chosen the path of appeasement over principles, just like the leader of the Bloc Quebecois did on this same issue.

Unlike the government and the official opposition, the Reform Party does stand up for its principles and will continue to condemn the French nuclear testing because the people of Canada demand it.

* * *

NUCLEAR TESTING

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, Canadians are extremely disappointed at the weak response our government has taken with the Government of France on nuclear weapons testing in the South Pacific.

Last week I had the opportunity to address the Council of Europe to convey the unhappiness of Canadians with France for undertaking these tests. Delegations from Canada, Australia, Japan and Mexico condemned France for its actions.

Today I am calling on Canadians to boycott products from France such as wines, perfumes, bottled water, cheeses and clothing until the French stop testing nuclear devices. A boycott will pressure French business to lobby French President Chirac to end testing sooner.

The government and Canadians must take a firmer stand on this issue. It is incredible that on the 50th anniversary of the bombing of Hiroshima and Nagasaki France should resume nuclear testing. It is equally incredible that the Liberal government has been silent on this issue which impacts negatively on world peace and on our environment.

S. O. 31

COMMUNITIES IN BLOOM

Mr. Gary Pillitteri (Niagara Falls, Lib.): Mr. Speaker, the Ontario Parks Association through its Communities in Bloom program has announced that Niagara–on–the–Lake, a town which I am proud to represent federally, has been named prettiest small town in Ontario.

Competing in the category for communities with a population of between 5,000 and 30,000, Niagara–on–the–Lake prevailed over places such as Coburg, Collingwood, Dryden and Elliot Lake.

What struck the judges was the originality of the town's landscaping. For this, much of the credit is due to the town's parks and recreation department and to its residents.

Now Niagara–on–the–Lake will be concentrating its efforts on achieving the national title, due to be announced in Ottawa next fall. This is calling for the active participation of the town's residents, who I am sure will rise to the challenge.

* * *

THE ENVIRONMENT

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, all of us have a role to play in protecting our environment. The federal government is in a position to create policy which will protect the Canadian environment and the environment of our neighbours.

This past July the Minister of the Environment introduced measures to protect the environment of lakes, rivers and wetlands across North America by banning lead shot under the authority of the Migratory Birds Convention Act.

Lead shot, which can be fatal when ingested by water fowl, is released into the Canadian environment by water fowl hunters at between 1,500 and 2,000 tonnes per year. This action taken by the minister will end the poisoning of our waters and will protect important species in our ecosystem. This measure will not only save our environment, it is one small step toward maintaining biodiversity and giving future generations an environment they can live with.

* * *

MINING

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, Canada's mining sector continues to provide jobs, investment and the impetus for new technological development. Canada's mining companies and mine workers are among the best in the world when it comes to efficient, cost effective and safe mining practices. Important for all Canadians, environmental concerns have become a high priority for Canada's mining industry.

Government red tape is a big problem. As a member of the government's rural caucus and especially as a northern Ontario

MP, I emphasize the importance of streamlining the regulatory process which faces the mining industry.

The current system creates unneeded duplication, slows the approval process and wastes both industry and government time and money.

I am pleased the government has recommended that the process be made to serve Canadians, not hinder them, and that we have agreed with industry, aboriginal and environmental groups and others about what needs to be done.

I ask my colleagues to support action which will lead to the streamlining of the regulatory process and I call on provincial governments to co-operate to ensure that both senior levels of government work together to make regulatory efficiency a priority.

* * *

• (1405)

[*Translation*]

AGRICULTURAL RESEARCH

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the 1995 federal budget announced the closing of the La Pocatière agri-food research centre, the only centre specializing in research in sheep farming, with sheep production in full expansion.

Neither Quebec nor the regional community was consulted about the closure, which was hidden away in the appendices to the budget. The comité de survie de la ferme expérimentale thought it had succeeded in extracting a moratorium, enabling it to revive agricultural research in the cradle of farming research in Quebec.

Unfortunately, despite the minister's promise, the department has begun to remove the centre's equipment, in spite of the community action. Data provided by the federal government reveal that Quebec receives less than 15 per cent of the federal department of agriculture's spending on research and development.

Does the agriculture minister believe, just like the defence minister, that he cannot afford the luxury of treating Quebec equitably? This is another good reason for Quebecers to vote yes.

* * *

[*English*]

GOVERNMENT GRANTS

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, in his February 1994 budget speech the Minister of Finance stated: "Fiscal reality requires that the government review its policy on the funding of interest groups".

In a letter to the President of the Treasury Board, the Minister of Natural Resources agreed that grants should be given only to those groups that provide important services to the Canadian public.

I give some of the results of this promise. Natural resources gave a grant of $35,000 to the United States Department of Energy, $5,000 to Sears, $70,000 to Superior Propane, $40,000 to the Saskatchewan Trucking Association and $5,000 to the Omineca Ski Club.

In total natural resources approved grants of $282 million. Canadians are fed up with the Liberals buying favours with taxpayers' money and this outrage must stop.

* * *

CANADIAN UNITY

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, today I rise in the House to add the federal riding of Elgin—Norfolk to the important debate on national unity. Recently I had the opportunity to meet with a constituent of mine, Mr. Tom Savage of Port Stanley, Ontario.

Mr. Savage, an artist, has created a national unity T-shirt. This shirt truly represents all of Canada: a large red maple leaf with a fleur de lys of Quebec and the sacred hoop of the First Nations.

In the wake of the crisis in both Ipperwash Beach and Gustafsen Lake and the constant debate on the Quebec referendum, Mr. Savage is one of many Canadians who feel Canada includes Quebec and aboriginals.

It is frightening to envision the possibility of Canada's breaking up and therefore I commend the work of Tom Savage and hope that more Canadians step forward to voice their concerns. There is no room for complacency. It is time for all Canadians who together form our cultural mosaic to embrace our differences and stand united. This will ensure a strong and prosperous future for all of Canada.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the separatist leaders spent much of last week frightening seniors by claiming that, the day after a no vote in the referendum, their pensions would be cut.

The federal government is being financially responsible by reviewing all its programs to see how they may be made more efficient and less costly. The PQ government and its separatist allies, on the other hand, continue to promise the world ignoring the fact that an independent Quebec will face a deficit of between $7 billion and $15 billion in the first year.

Seniors, like the rest of the people in this country, prefer a government that states its intentions clearly over one that irresponsibly wastes money it does not have just to win its referendum. Seniors will say no on October 30 to the campaign of fear by the PQ and the Bloc.

REFERENDUM CAMPAIGN

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, there are some paradoxes in politics that cannot be ignored. Last Sunday, like thousands of other Quebecers, I saw the new Yes signs spring up in my riding.

Two of them in particular caught my attention. The first one showed a nice big flower as the promise of a healthy environment. The second one showed the peace sign which, in my opinion, speaks for itself.

While separatists were busy putting up their signs, a horrible drama was unfolding on the other side of the world as France set off its second nuclear explosion.

• (1410)

While the whole planet is mobilizing against these nuclear tests, Quebec separatists remain silent to avoid endangering the support France has promised them and continue to post their flower and peace signs.

* * *

REFERENDUM CAMPAIGN

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, yesterday, Senator Lise Bacon took offence at the treatment of Standard Life chief executive Claude Garcia by the Quebec government. Mr. Garcia became an instant celebrity at the start of the referendum campaign when he said: "We must not only win, we must crush". The Quebec government then remembered that Standard Life had been awarded important contracts without tenders and decided to issue a call for tenders, as should be done in any case.

Instead of taking offence, Mrs. Bacon should feel stifled as part of the No side, as Quebec businesspeople have been targeted by the Operation Unity centre and blackmailed by the federal government. Mrs. Bacon's principles are quite elastic. Why does she not in turn denounce the unacceptable practices used by her own side?

* * *

[*English*]

JUSTICE

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, last Thursday it was discovered that two of the most notorious, violent criminals in Calgary have been on parole for over a year after serving seven of their twenty–two and twenty–nine year sentences.

Since the parole board gave them a second chance, one of them is now back in custody for assaulting his girlfriend.

S. O. 31

When the Reform Party asked for amendments to Bill C–45 which would make dangerous violent offenders like Jean–Luc Dipietro and Oresto Panacui serve the full term for their original sentence plus the full term for the offence they committed while on parole, the Liberal government said no way and voted the amendment down.

Jean–Luc Dipietro and Oresto Panacui did not deserve to be released. Their criminal records include attempted murder, kidnapping, escaping custody, robbery and family violence—prime candidates for parole according to the parole board and the government.

Bill C–45 was the government's opportunity to really get tough on criminals but it refused to do it. The people of this country deserve and demand better.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, the chairperson of the Centrale de l'enseignement du Québec, Lorraine Pagé, just sent a letter to members of her union, asking them to support the Yes side and make a financial contribution to the sovereignist campaign.

This invitation by the CEQ to subsidize the Yes side comes less than one week after Bombardier was lambasted by Quebec's separatists, including union leaders, for asking its employees to support the No side.

It seems more and more obvious that an independent Quebec will be a Quebec split in half, in that the right to freedom of speech and freedom of association will only be granted to those who support separatism and the PQ government. Quebecers do not want that kind of a country and they will vote No.

* * *

YOUNG TRAINEES PROGRAM

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, the Canadian government has long recognized the need to provide more help and support to young dropouts and unemployed. Through the federal program for young trainees, 12 young people from my riding of Saint–Denis are currently participating in a training program that will teach them the job of inspector of mechanical products.

Thanks to this initiative, these young people, whose future was said to be bleak, have an opportunity to fully develop their potential. Our government is proud to endorse this project, because it meets the real needs of young Quebecers and Canadians by helping the unemployed and the dropouts. Our young people need this kind of initiatives, not a separatist dream which, quite obviously, would be a dead end.

[*English*]

MAITLAND, NOVA SCOTIA

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I rise today to offer my sincere congratulations to the citizens of the village of Maitland in my riding of Annapolis Valley—Hants.

At a ceremony last July Maitland was designated as Nova Scotia's first heritage conservation district. This past Saturday Maitland was again recognized, this time as the recipient of the Elaine Burke award, an honour which recognizes community achievement in active living and environmental citizenship.

The citizens of Maitland have shown both pride in their heritage and a desire to build on their rich history in a positive and healthy fashion. I believe this pride in community is representative of the attitudes of people throughout my riding and indeed the province of Nova Scotia.

• (1415)

I would ask all members to join me in congratulating the village of Maitland on this well-deserved recognition.

ORAL QUESTION PERIOD

[*Translation*]

INDUSTRY CANADA

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, today it was reported in *La Presse* that a secret document was sent last March to the Privy Council's Operation Unity centre. It seems that Industry Canada made a list of Quebec companies, sector by sector, in anticipation of the referendum debate. Ottawa identifies the levers—that is the word they used—it intends to use to urge business people to campaign for the No side, referring to various federal subsidies and contracts, especially in the aerospace and defence sectors.

My question is directed to the Prime Minister. Does he approve of the fact that a federal department, at the request of Operation Unity, made a list of the heads of large corporations in Quebec for the obvious purpose of blackmailing them and enrolling them on the No side in the referendum campaign?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think it is entirely normal that government officials should be able to inform ministers and the government of economic activities in Quebec that receive assistance from the Canadian government. That is all part of the basic argument. The purpose is not to blackmail anyone at all, in fact quite the opposite. It is so we can tell people that they can get ahead in Canada and that many industries in Quebec need the central government, to access its funding programs as well as to find markets abroad.

I think it is perfectly normal that the Minister of Industry should know what is going on in the industrial sector in the province of Quebec at a time when a referendum is to be held, so that he can tell the Prime Minister, the ministers, members of Parliament and the public what the Canadian government is doing for Quebecers.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the leader of the government forgot to mention that these documents include analyses of the political positions of certain heads of corporations in connection with the current debate, hence the importance of the use of the term "levers" in connection with the way they will behave during the referendum debate.

Does the Prime Minister not think there is something indecent about the fact that, when making this list of Quebec businesses, his government referred not only to subsidies that had already been paid under federal contracts but also to future subsidies that are now being negotiated?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think it only makes sense for a minister to want to know what is going on in his department. Members rise in the House every day to ask questions, and if a minister has the misfortune to say he does not know exactly what is going on in his department, he is accused of incompetence. I am not going to rise in the House now and tell my Minister of Industry that he is incompetent, when he is making sure that we have all the information relevant to the referendum debate in Quebec.

Quebecers ought to know that what we can offer them now is something concrete, but the Bloc Quebecois and the Parti Quebecois are trying to make people believe in a hypothetical situation it will be impossible to realize. We are telling Quebecers in concrete terms what we are doing for them, and they are very glad to know about it.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, what connection is there between a minister's jurisdiction and the political opinions of the business people with whom he has dealings? And why this excuse we are hearing today, that the minister has to know what is going on in his department, when he is much more concerned about the political views of the heads of Quebec companies? I think it is pretty obvious that this is an exercise in twisting the arms of business people in Quebec.

I ask the Prime Minister to admit that with this list, his government has a tool to blackmail Quebec business leaders who, as long as they are under the present federal system, will depend on contracts and subsidies from Ottawa.

• (1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am of course glad to see the Leader of the Opposition has conceded that the No side will win and the Yes side will lose. If he felt confident, he would have said that all this did not matter and that on October 30 they would no longer have dealings with the Canadian government and businessmen would no longer have to deal with the Canadian government. I wonder why he is so scared; is it because he realizes he will lose?

However, I think it is rather surprising that the leader of the Bloc Quebecois should criticize us, when his leader, the leader of the Parti Quebecois, fired every single official representing the Quebec government abroad who did not swear an oath of allegiance to the cause of separation.

When we see the kind of threats they make against people who are now speaking out in favour of the No side, as in the case of the chief executive of an insurance company who has been told he may lose his contracts because he is a federalist, I think the Leader of the Opposition is hardly in a position to criticize us for trying to find out who receives subsidies and in what sector, so that members and people on the No side can go to the ridings and explain to people that the Canadian government provides a good service to all Quebecers.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we were well aware of how strongly allergic the Prime Minister was to the competitive bidding process in the Power DirecTv case involving his son–in–law. It will be remembered that he appeared to be extremely allergic in that instance. But it is completely normal for the government of Quebec to use a competitive bidding process.

It is also important for Quebecers to know the true colours of the federal government right before making a decision. The Privy Council's Operation Unity centre has taken the trouble to collect information on Quebec companies, their directors, their past and future contracts and grants, so as to be able to pressure them to be on the No side of the referendum. We know that a number of federal government bodies and departments possess confidential information on a number of Canadians and Canadian organizations.

My question is for the Prime Minister. Can he tell us whether some of the information in the hands of other federal bodies or departments has been acquired by the Operation Unity centre to create other files to be used for the same purposes as the first?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the allegations of the hon. member for Roberval are unfounded. The document produced examines the industrial sectors in the province of Quebec, sector by sector. There are 20 or 21 in all. In each, we look at the economic situation and the effect of federal government funding.

It also looks at what effect separation would have on each of the industrial sectors in the province of Quebec, and in each case the conclusion is clear: separation would have harmful economic effects on the economic sectors of the province of Quebec.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the minister's conclusion and the conclusions of his document are not even the same. He has not read it. True, this document was requested by the Prime Minister.

When the minister states that these are unfounded allegations, I would like him to explain, to us and to all Quebecers, the following. While the Operation Unity centre was literally collecting secret information contained in Department of Industry documents for the purposes of bringing pressure to bear during the referendum, why would it have deprived itself of information held by other organizations and departments other than Industry on thousands of Quebecers and Quebec organizations? Why would it not have done so when it has collected similar information from Industry in such a shameful manner?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the hon. member for Roberval continues to make unfounded allegations which are not justified by the document. I shall send him copies of the report on the various industrial sectors in which the conclusion is that separation would be harmful for Quebec. He will then see that this is the case in the majority of sectors.

• (1425)

When he says these are unnecessary documents, that is totally ridiculous, and I do not hesitate to say so, because the conclusions of the report clearly indicate the effects of separation on major industrial sectors in Quebec, essential information for the referendum. It comes as no surprise to me that the opposition has not read it, because it does not fall in line with their conclusions, but it is unfortunately the truth. Separation would be extremely costly for most industrial sectors of Quebec.

* * *

[*English*]

DEPARTMENT OF NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, yesterday Canadians learned that not only had officials at the Department of National Defence been falsifying documents but that former Airborne Commander Peter Kenward ordered videotape evidence destroyed.

Shortly after the destruction of the videotapes, Kenward was promoted to full colonel. The minister has already admitted that the chief of defence staff would not consider his reservations about this promotion and he did not interfere because he says that the promotion was a responsibility of the chief.

I want the minister to clarify his position. When did he learn that Colonel Kenward had ordered the destruction of evidence? Was it before or after the promotion?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, as a former member of the armed forces, I am sure the hon. member will be aware that following passage of the 1952 National Defence Act an order in council was passed.

It is now found in Queen's Regulations and Orders 11.01(2). It states:

> The promotion of a member to any rank lower than that of brigadier-general requires the approval of the Chief of Defence Staff.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the minister knew that the evidence had been destroyed. Therefore he is "complicit" in concealing that fact from the Canadian people.

The minister knew of this cover-up. He knew of the promotion, yet he did nothing. How can he justify this gross error of judgment?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, from time to time you caution hon. members about the language they use in the House. I would caution the hon. member. If he said this outside the House, it might be actionable.

Second, because of the reservations the chief of defence staff had about the promotion and its delay pending certain investigations, out of courtesy he brought it to my attention. When he brought it to my attention, I expressed reservations that the promotion should go ahead. I reminded the chief of the defence staff that it was his responsibility to deal with these promotions and that it was up to him to decide whether or not to proceed.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it is not the prerogative of anyone within the military to impede an investigation and to destroy evidence.

Canadians are gravely concerned that the minister, who is ultimately responsible, has allowed tampering with evidence as an acceptable tool for office management at the senior levels of the national defence department.

These revelations undermine public confidence in the military and they destroy any shred of credibility still clinging to the minister. My question does not touch on the Somalia inquiry but goes right to the heart of the minister's mismanagement. Given that the minister acknowledges to the Canadian people that his department is out of control, will he do the honourable thing and resign?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I might ask the hon. member if he would refrain from bordering on abusing the privileges of the member of Parliament for Don Valley East and the Minister of National Defence. I believe that is what he has done in his question, when there is a close reading of the question.

I would like to tell him that the chief of defence staff will be making a public statement this afternoon and will deal with all these matters because they are under his purview.

I would like to ask the hon. member whether he expects the Minister of National Defence to have the governor in council rescind an order in council that was passed 43 years ago designed to prevent political interference in the promotion of officers of the armed forces. Does he want to turn the clock back?

* * *

• (1430)

[*Translation*]

INDUSTRY CANADA

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, my question is for the Prime Minister.

With respect to the aerospace industry, it is clear from the secret document prepared by Industry Canada for the Operation Unity centre that the federal government intends to use the defence industry productivity program to put pressure on this industry in Quebec by withholding funds earmarked for the support of new projects in 1995.

Will the Prime Minister confirm that the federal government is currently negotiating with Bombardier to establish a financial support program to help Bombardier sell regional jets?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, again, these are unfounded allegations. Clearly, whenever subsidies are granted, the government always considers which industries could use them and for what purpose. The stated objectives are profitability and job creation, and these objectives are those set by the federal government for industrial development in Canada.

Is the opposition suggesting that we not look for ways to stimulate employment in Quebec? The burden of proof rests with opposition members. They are making allegations based on incorrect information and faulty analysis. Instead, they should share with us the burden of developing Quebec's economy as best we can.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Obviously, Mr. Speaker, the minister did not read the document.

Does the Prime Minister not find it odd that information on negotiations between Bombardier and the government can be found in an Operation Unity document designed to put pressure on Quebec businesses to make them vote No?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, ever since I became a member of Cabinet and even a member of Parliament, the Canadian aerospace industry has always relied on federal assistance for its development.

I myself was Minister of Industry many years ago. When Canadair was shut down by the American company General Dynamics, the Canadian government took it over to put it back on its feet. It has now become Quebec's largest industry and biggest employer. The Canadian government wants to ensure that Canadair can go ahead with its aircraft development project.

The development of regional aircraft by Canadair has been a government concern for many years, and we are trying to help this industry. In fact, in the past twelve months, we had the opportunity to help it start producing this aircraft which I feel is destined to have a great future, thanks to the aeronautics policies put in place by the Canadian government, which does a great deal for workers in that sector of Quebec's economy. That is why they will want to remain in Canada.

* * *

[*English*]

PENSIONS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Minister of Human Resources Development.

The minister will not tell us when he will release his long overdue reform of the Canada pension plan but perhaps he will share with us what he is planning to do.

Through access to information we have obtained a briefing note by a senior policy analyst in HRD. She states that the Canada pension plan is financially unsustainable. She recommends that the minister either cut seniors' pensions or raise taxes to pay for the shortfall.

Will the minister promise seniors that he will not cut their pensions? And, will he promise taxpayers that he will not raise their taxes? Yes or no.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I will certainly take the hon. member's representation to my colleague, the Minister of Finance, which I know he will be thrilled to receive.

As far as the briefing note is concerned, it is very difficult to keep track of a variety of briefing notes. I repeat to the hon. member that we made it very clear in last year's budget we have a very strong commitment to maintaining the sustainability of the pension programs for seniors. We recognize, however, as a responsible government that in the future as the demographics of the country change there has to be new financing for the Canada pension plan. The Minister of Finance must meet with his colleagues, the other ministers of finance, later this year to discuss how that refinancing would take place.

• (1435)

That is the reason it is very important we engage in a serious review of how we can ensure the continued maintenance of a good, effective, sustainable pension program for Canadians.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I acknowledge the hon. member's response and would like to continue with a supplementary question.

Reform believes that pension reform can be done without cutting seniors' pensions and without raising payroll taxes. In his letter last week the chief actuary for finance recommended that the government either raise taxes or cut benefits in order to save the Canada pension plan.

Will the minister reject the advice of the chief actuary, refuse to cut seniors' pensions and refuse to raise payroll taxes?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would be very interested in receiving a more complete and thorough presentation from the Reform Party on its proposals for the Canada pension plan.

When I looked at the proposals that came forward from the seminar or meeting the Reform Party held a couple of weeks ago in Halifax, I noticed that if we had followed its recommendations there would have been substantial reduced pension benefits for 800,000 disabled Canadians, 600,000 widows and 1.8 million pensioners.

I hope that is not the position of the hon. member.

* * *

[*Translation*]

INDUSTRY CANADA

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Prime Minister. In a secret document prepared by Industry Canada for the Operation Unity Centre, we learn that Bombardier asked Ottawa for funding, as part of the defence industry productivity program, which, as Industry Canada itself indicated, would be difficult to provide. The assistance sought concerned the joint Canadair–de Havilland global express airplane project.

How does the Prime Minister justify a request for financial assistance of this magnitude being in a strategy file intended for use in pressuring business in the referendum debate?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I think I am going to have to explain this whole thing all over again. The Department of Industry document sets out clearly the position of the various industrial sectors. It indicates the effect separation would have on these sectors. It also indicates, in some cases, the amount of the financial assistance sought by certain firms.

This is common practice, and one the government is familiar with. Many companies follow this practice each year; that is, they apply for funding. We have to respond to these applications for assistance each year, and it is usual for this type of information to appear in an Industry Canada document.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I have the impression we are not talking about the same document and that the minister does not even have access to the document we are talking about. Are we to understand that one of the new criteria Ottawa has established for obtaining federal assistance under DIPP is a favourable recommendation from the Operation Unity Centre for services rendered?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, clearly the answer is no. Government funding is provided, once again, according to the contribution a firm or an industry makes to the Quebec economy. It is provided on the basis of job creation. It almost always is public and is therefore subject to the government's public accounts.

This funding must be approved by the members of Parliament and the House and is therefore granted objectively. Once again, the opposition's allegations are unfounded.

* * *

[*English*]

THE ENVIRONMENT

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the negotiations on the harmonization of environmental management in Canada have been placed totally on hold. With each day the environment minister's version of events gets even more outlandish. She insists that Alberta scuttled the deal, but Alberta says that the minister's fear of decentralization is to blame. What is more disturbing is that Alberta's environment minister was practically called a racist in the House.

• (1440)

Why has the minister put this deal on hold and when will she apologize to Alberta Minister Ty Lund for her inflammatory comments?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I merely repeated in the House what the minister said at the meeting in Haines Junction when he said that he would be very happy if Canada had environmental jurisdiction in Alberta in the area of parks, that we could have their parks and their Indians. That comment has not been refuted by the minister.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, what is more at issue here is the fact that these talks have been scuttled by the minister, regardless of reason. Whether it is the *Irving Whale* or whether it is the environmental harmonization agreement, the minister is always looking for new ways to pass the buck, and heaven help those who disagree with her. I am sure the Minister of Natural Resources certainly knows what I am talking about. She is in favour of the provinces and supports their attempts by her sympathies with harmonization.

My supplementary question is for the Minister of Natural Resources or the Deputy Prime Minister. What do they plan to do to get these talks back on track?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the claim of the hon. member that somehow I have misrepresented what Ty Lund said is absolutely false.

She got up on her first question and made a statement and I answered that statement. I said that Mr. Lund had not denied making the comment, which was heard by at least 10 people, to the effect that Canada's role in environment in Alberta should be restricted to national parks and their Indians.

I would suggest that the hon. member, rather than trying to find another red herring, should stand in the House and apologize for her claim that I misrepresented Ty Lund's remarks.

* * *

[*Translation*]

INDUSTRY CANADA

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, my question is for the Prime Minister.

A secret document prepared by Industry Canada for Operation Unity says that, without the federal defence contract for the manufacture of ammunition, SNC–Lavalin subsidiary SNC–IT will have to close its doors.

Will the Prime Minister admit that linking the survival of a business to the awarding of a federal contract in an effort to put pressure on its leader amounts to blackmail?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, again, the opposition's allegations are very close to being unparliamentary. They do this because they have no arguments to support their views.

Speaking of documents, our document is available under the Access to Information Act. But what about the Le Hir studies, the hidden studies? When the Parti Quebecois and its little brother, the Bloc Quebecois, conduct studies that are inconsistent with their conclusions, what do they do? The same thing they did with the Georges Mathews and Bernier studies: they hide them.

In this case, the information is available. This information helps us determine whether our subsidies can create jobs in Quebec. We have the public interest at heart. But in their case, the question is whether hiding the studies that are inconsistent with their conclusions is in the interest of Quebecers who will vote on October 30.

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, could we have answers that come not from an armchair quarterback but from someone who is well briefed on the issue?

How can the Prime Minister let Operation Unity take 680 SNC-IT employees hostage by linking the awarding of a defence contract for the manufacture of ammunition to the referendum position of SNC bosses?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the allegation is totally false, and everyone knows that this industry is dependent on a Canadian government contract. That is the way it is. This industry has been in existence since the end of the second world war, since the war.

Of course, if the Canadian government does not buy ammunition from an ammunition producer, I wonder who will.

• (1445)

It is quite normal for us to know this. If, in analyzing Quebec industries, the minister realizes that a business is completely dependent on the Canadian defence budget, I think it is quite normal for him to know this so that we can find out exactly what role the Canadian government plays in Quebec. In this case, it is fundamental.

Without the Canadian government, without a defence department that buys ammunition from this industry, it would have to close its doors. But, since there is a Canadian government that has Quebecers' interests at heart, we continue to buy ammunition from this business.

[*English*]

LAND MINES

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

The subject of banning land mines was recently discussed at an international conference in Vienna. In view of the fact that land mines that are now being discovered in Bosnia have a similar design and technology as those manufactured here in Canada, will the minister give the House his assurance that no land mines are now manufactured in Canada? More important, will he assure this House this technology has not been exported outside of our borders?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I can give this assurance to the hon. member. Indeed, I have been informed that no such mines have been manufactured in Canada since 1992. In fact, none have been allowed to be exported since 1987.

I can give the member the assurance since I am the minister and am looking at all of these export permits that I have not authorized and I will not authorize any of these exports.

* * *

IMMIGRATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, in 1981 Tejinderpal Singh and four accomplices attacked and hijacked an Indian airlines flight out of Delhi and forced it to land in Pakistan. Tried and convicted for air piracy in Pakistan, they received life sentences. After being paroled, Singh made his way to Canada where he lied about his background when he claimed refugee status. However, his true identity was uncovered and he was arrested but has since been released.

When in opposition the Liberals criticized the previous Tory government for its handling of the Muhammad Issa Muhammad case. I ask the Minister of Citizenship and Immigration, will this Liberal government handle the Tejinderpal Singh case differently?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, let me first congratulate my hon. friend, who was recently appointed as the critic for citizenship and immigration. She will no doubt find it a very interesting portfolio. I know we will miss her predecessor very much.

One of the matters before the government is to try to deal with the subject matter in a fair and competent manner. This we will ensure not only in this particular case but throughout the program.

If members look at some of the things we have tried to do in the last year and a half with respect to the IRB, removals and trying to make the system much fairer and more competent, I think members will agree there have been improvements. How-

ever, that is not to suggest this department or any other one is going to speak from perfection.

I look forward to having her comments, her advice and her counsel along the way.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, there are nine other terrorists who were convicted of hijacking Air India aeroplanes. All have been released from prison in Pakistan and all are intent on coming to Canada. Two other members of this group are presently in Canada.

With the new powers recently conveyed upon him, will the minister assure this House that these convicted hijackers will be removed from this country as expeditiously as possible?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, we will look to that new law to provide us with any vehicles and tools with which to deal with individuals who are undesirable and I might add, the same law this party fought us tooth and nail on.

* * *

[*Translation*]

OPERATION UNITY CENTRE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Prime Minister. In its letter entitled *Business and Unity*, the Privy Council urges the business community to campaign for the No side. We also know from a document submitted to the Minister of Labour that the Operation Unity Center's activities even include writing speeches for politicians and other persons whose names were unfortunately blanked out in the document.

• (1450)

Does the Prime Minister confirm the news that the Operation Unity Center is also the organization in charge of preparing speeches for certain members of the business community?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, clearly, our referendum strategy calls upon all resources available to us in Quebec to try and convince Quebecers that it is in their interest to vote No.

Now, I also read in *La Presse* what is happening. The CEQ, a pro–sovereignty union, is sending letters to all its members asking them to send money and to vote Yes. What is the difference between that organization and a business that needs to create jobs in a province and make profits and that realizes that its economic viability is dependent upon Quebec being part of a larger entity, namely Canada? Why should people who think it is in their best interest to do so not fight for federalism, just as the CEQ has no qualms soliciting money from its members and asking them to vote Yes?

Clearly, what we are doing can be justified and is in the best interests of Quebecers.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am grateful to the minister for finally admitting something before this House. That is a first.

I would also like him to know that Ms. Pagé writes her own speeches and that, when she writes to her members, she has been given a mandate by the rank and file to do so. Perhaps he is the one who wrote Mr. Garcia's speech. This remains to be confirmed in another question.

What does the Prime Minister call it when a government agency gathers information on business people, identifies ways of pressuring some of them and goes as far as telling them what to say?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I find it is quite normal to ask for other people's input when writing a speech. Information can be sought under the Access to Information Act. Any citizen can request information from government departments.

So, when a citizen contacts a department and says: "I have a speech to make. Can you provide me with some information?" and that information is available, it is in keeping with our government's policy of openness to provide as much information as possible to all citizens, and Quebecers in particular at this time when they are about to make a decision that will affect their future for many years to come. In order to make the right choice, they must be fully aware of what the Government of Canada does for Quebec's industries, greatly helping them to develop and break into new markets so that jobs can be created for Quebecers within Canada.

* * *

[*English*]

LAC BARRIERE RESERVE

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the investigator looking into allegations of sexual abuse at the Lac Barriere Reserve was expected to present his report by August 31. I have in my possession a work plan to confirm this fact.

Can the Minister of Indian Affairs and Northern Development tell the House if the written report is complete or when it will be completed?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, earlier this year there was an allegation raised in the House by one of the Reform members of sexual assault at Barriere Lake, which is an Algonquin reserve northwest of Montreal. As a result, a memorandum of agreement dated April 1995 was signed by Health Canada, the Province of Quebec Youth Protection Directorate, the band and DIAND was a fourth party but not a signatory.

A consultant came in from Winnipeg with a staff of five or six. Quebec allocated two or three people. Workshops were done, translations, healings. There were 14 to 19 recommendations. The question is whether the report will be made public. The answer is certainly. Certainly it will be made public. There will have to be some protection, as the hon. member knows, because youth are involved here. That was the full intent of the exercise.

• (1455)

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the reserve is near Maniwaki and this study has had $300,000 spent on it. That is my understanding.

The concern is that there be a written report made available to the band members and to the public. Could the minister please confirm that the written report will be made available, and will he tell us when?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the hon. member is consumed with the second question. I believe I answered it in the first answer.

Some hon. members: When?

The Speaker: Order. The hon. member for Hastings—Frontenac—Lennox.

* * *

YOUTH

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, here in Ontario the Harris government has slashed funds for job creation programs. Republicans in the U.S. have cut funding for their youth oriented Americorps.

Can the Secretary of State for Training and Youth tell Canadians specifically what action our government is taking to make sure our young people remain a priority of this government?

Hon. Ethel Blondin-Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, our youth are the future of Canada and they remain a priority of this government. In fact, this government has increased funding by 7.9 per cent and has earmarked $236 million for youth initiatives this year.

An early sign of success is that we exceeded estimates this summer for employment. We helped over 220,000 young people find jobs. That includes 40,000 jobs directly created by federal initiatives.

In the United States it costs $22,000 U.S. per participant. In Canada we do it for half of that; it is $10,000 per participant. We are well on our way and we are very committed.

[*Translation*]

DEFENCE INDUSTRY CONVERSION

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Prime Minister.

In its red book, the government pledged to develop a defence industry conversion strategy. Two years later, we are still waiting for that strategy and for a review of the defence industry productivity program.

Are we to understand that the government did not follow through on its commitment because, instead of meeting the real needs of the industry, it is more concerned by the stand, on the referendum issue, taken by business leaders in that sector? This is shameful.

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the whole question of conversion of various defence industries to peacetime purposes has been going on for some time.

The program the hon. member refers to is obviously a very important one in Quebec. Over the years a rather major defence industry has built up in that province and a lot of funds were invested in the defence sector.

The challenge that is facing the industries in Quebec is the same as that facing defence based industries anywhere else in Canada, which is to make that conversion. The Minister of Industry has indicated to my hon. friend on a number of occasions that we are always looking forward to opportunities to be able to assist industries in Quebec and elsewhere to make that conversion from defence production to civilian purposes.

* * *

ASSOCIATION OF UNIVERSITIES AND COLLEGES OF CANADA

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, grants given to the Association of Universities and Colleges of Canada have risen sharply in recent years. In 1994–95 it was given $10,600, but suddenly this year it received $262,000, an increase of 2,300 per cent.

Given that the Treasury Board is responsible for overseeing millions of dollars worth of grants, can the minister explain the sudden increase in money given to the AUCC?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, all grants are examined in the framework of providing funds that help in the education system in this case, or in whatever other areas, to help Canadians and to do it in the most efficient and effective manner. Each department takes on that responsibility. I am sure that was done in this case and was fully examined when these grants were made.

AGRICULTURE

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the Minister of Agriculture and Agri–Food.

The 1995 budget proposed a $1.6 billion ex gratia payment to offset the decline in farmland prices that would result from cutting the Crow benefit. Later the minister made three basic changes to that budget policy by deleting land seeded to forage crops, by deciding to include renters and by deciding that those renters would pay income tax on their payments.

• (1500)

What was the rationale for these changes and how are these decisions consistent with the original budget allocation?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the references the hon. member makes to later changes after the announcement in the budget are a bit misplaced. All of the items he referred to were covered in our budget documents and then covered very specifically in a series of consultations I conducted with farm leaders across western Canada in the months immediately following the budget.

We highlighted in the budget what the principal issues were but we wanted to leave a window for consultation with farm leaders and farm organizations to make sure we had the benefit of their best advice in program design. Virtually every design decision we have taken with respect to the $1.6 billion payment has been guided by the very valuable input and advice of the leadership of western farm organizations.

* * *

GREAT LAKES

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, my question is for the Minister of the Environment.

My interest in Great Lakes pollution took a great leap forward when I discovered it was causing decreased sexuality in males. My question to the minister is simple. What is she doing to protect the Great Lakes ecosystem and future generations of Adams?

The Speaker: I am not sure that relates to the specific functions of the Minister of the Environment but I will permit her to answer.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I hesitate to comment on the nefarious effects of Great Lakes pollution on male sexual reproduction. As a result of activities in the Great Lakes for the first time we did manage to spot another endangered species—

Some hon. members: Oh, oh.

Ms. Copps: I mean an endangered species. The peregrine falcon was found nesting in a couple of buildings in Toronto and Hamilton.

We have also been specific in being able to delist Collingwood as one of the 17 hot spots in Canada of the 43 areas of concern. We have restored about 8 per cent of the beneficial uses and we have been able to work on improvements at 17 sewage treatment plants. Nine plants are moving to improve their phosphorous removal capability.

I understand the hon. member's interest specifically in male sexuality but I will tell him that with the clean–up of the Great Lakes I think we start with herring gull eggs on up.

The Speaker: This concludes question period.

I have been given written notice of a question of privilege from the hon. member for Markham—Whitchurch—Stouffville. I am prepared to hear that now.

* * *

• (1505)

PRIVILEGE

MEMBER FOR MARKHAM—WHITCHURCH—STOUFFVILLE

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, I rise today on a point of privilege regarding the point of order raised yesterday by the hon. member for Elk Island.

Specifically the member was concerned that a lapel pin I was wearing in the House was inappropriate.

The pin in question was nothing more than an insignia encompassing the map of Canada, the Canadian flag and the provincial flag of Quebec. Additionally the words "One Canada—uni et indivisible" were on the pin.

Mr. Speaker, while I share your concern—

The Speaker: Let me understand. The hon. member for Markham—Whitchurch—Stouffville is raising a point of privilege that arises out of a point of order. Is that correct?

Mr. Bhaduria: That is correct, Mr. Speaker.

The Speaker: In the rules of the House, as far as I understand them, we cannot raise a point of privilege out of a point of order. Unless the member can find another vehicle for raising his point of privilege I will move on to another matter.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

The House resumed consideration of Bill C–64, an act respecting employment equity, as reported (with amendment) from the committee.

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, just before question period I had commented on a number of groups and associations that represent various minorities. They believe in the bill. To them and to the employers who took part in the process the bill combines our social and economic visions in a fair and reasonable way.

Bill C–64 is a project for our entire society. It is based on partnerships. It is based on reaching for our highest ideals and turning them into a daily reality for all Canadians regardless of heritage, gender or disability. It is based on our truest sense of self as a people. Business, unions and designated groups agree we have found a direction for equity that is consistent with the best features of Canadian life.

The Business Council of British Columbia said during a recent round of consultations: "Employers alone cannot achieve employment equity. Employers want to be part of the solution in partnership with government, unions and employee representatives, educational institutions and designated group organizations".

The council is right. I know when I leave this place I will be pleased to know I helped with a piece of legislation that strengthens our economy and our society. It is simply one more step toward the kind of Canada we should all want to leave to our children and our grandchildren.

[*Translation*]

In my introduction, I used a quote from the red book, and I will conclude by doing the same.

"We hope to ensure equal opportunities, so as to provide a decent standard of living to more Canadian families, as well as dignity and respect, in a country where social harmony prevails".

Equal opportunities for all. This is the Liberal Party's objective for Canada. This objective is at the heart of our vision of what our country should be.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I am pleased to have this opportunity to show how Canada is a leader when it comes to employment equity.

Bill C–64 is a made in Canada legislative measure which meets the specific needs of the workplace in our country.

I am proud to say that our government does not follow the American trend of criticizing employment equity. We should not be overly influenced by what goes on south of the border, since many problems which arise under American law do not occur in Canada.

Given our history, our constitution and our social context, we do not do things the way the Americans do. I should add that the progress made so far tells us that we often make the right decisions.

• (1510)

[*English*]

Let me offer this brief overview of the Employment Equity Act, an act that is unique in the world. It is distinctly Canadian.

Our legislation is firmly grounded in this country's Constitution. In Canada every individual has the right to equality before and under the law, and equal protection and benefit of the law.

As we have said in the red book, the Liberal Party plan for Canada, we want a country where we all see ourselves as contributors and participants, not liabilities and dependants. We are committed to a Canada characterized by integrity, compassion and competence.

The Canadian Charter of Rights and Freedoms recognizes that special consideration and the accommodation of differences are necessary to realize true equality under the law. Different treatment is not a departure from equality. It is essential however to achieve it.

The Grand Chief of the Assembly of First Nations, Ovide Mercredi, explained it well when he told the Standing Committee on Human Rights and Status of Disabled Persons: "I think sometimes people, white people in particular, forget that this is their society and it is not easy for others to get into it".

This legislation is designed precisely to build bridges between potential and opportunity.

[*Translation*]

In Canada, employment equity is proactive and positive. It is intended to prevent discrimination. It is designed to eliminate obstacles to employment for disadvantaged Canadians, through intelligent management of human resources making it easier for the new labour force of the 21st century to enter the job market.

Our legislation encourages consultation between employers and workers to find solutions for problems arising at the workplace.

Our approach is based on conciliation rather than use of the courts, because this is the Canadian approach. The aim of the

federal government is to educate and help employers by creating employment opportunities enjoyed by all members of the labour force for members of designated groups.

[*English*]

Another central feature of our system is our firm belief in flexible targets businesses can reasonably achieve. In both our original Employment Equity Act and in the current bill to replace it we have purposely sought the views of employers, unions and members of the designated groups.

We have listened and learned, recognizing we must strike the right balance, ensuring the law will not solve one set of problems for employees by creating another problem for employers.

That is why Bill C–64 has been specifically designed to minimize the regulatory burden. It also makes programs more cost effective and enforcement measures much more efficient.

The bonus for Canadian companies is when everyone's best interests are served there is a direct improvement to the bottom line.

[*Translation*]

In fact, employment equity is not hard to sell. According to the Business Council of British Columbia in its testimony before the standing committee studying Bill C–64, the four designated groups make up 60 per cent of Canada's population. As employment equity programs are implemented, it went on to say, the labour force will better reflect the diversity of the Canadian people with all the social and economic advantages this comprises. Our experience with employment equity proves that, when a solution is practical for business and protects human dignity, everyone benefits.

• (1515)

Employment equity helps fill the gaps in our economic development and therefore it strengthens our economy as a whole.

[*English*]

The newspapers are full of stories about business executives extolling the virtues of employment equity. For example, Dan Branda, chief executive officer of Hewlett–Packard Canada told a *Globe and Mail* reporter that diversity:

> —is an absolute business imperative because it gives us the edge in attracting the best and the brightest people. It positions us as an employer of choice and will help us in competing in a market that is becoming increasing diverse and global.

The chief executive officer of the Canadian Occidental Petroleum, Bernard Isautier said:

> Diversity is a source of competitive advantage. Canada is a country with a respect for differences, for different cultures, for different opinions and respect in general for the individual. That makes Canadians particularly well received when they deal with foreign countries. I think Canada should capitalize more on these capacities.

No one would agree more than the young woman who is able to pursue a career in the trades, the young aboriginal student who sees his post–secondary studies lead to full employment in industry, the Asian engineer who is able to use her skills to improve production processes to make a firm more competitive or the disabled adult who gains financial and social independence, enjoying the dignity and security that comes with a salary.

This legislation is a recommitment of the government to equality for all Canadians. With Bill C–64 we are continuing our tradition of international leadership in the area of employment equity, while choosing to lead rather than be led. In these changing times our responsibility is making the most of the opportunities that change represents. In the process we are creating a more united nation and building a more innovative economy.

Most of all, we are putting into practice the very values that make each of us so proud to be a Canadian: fairness, justice and equality for all.

The Speaker: Is the House ready for the question?

Some hon. members: Question.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

The Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 6, 8, 9, 10, 15, 16 and 17.

We are now going to Group No. 2, without Motion No. 3. Miss Grey, seconded by Mr. White moves that Bill C–64, in clause 4 be amended by replacing line 10, on page 4, with the following: "(3) Members of".

• (1520)

In view of the fact that the member whose motion this was to have been is not present in the House for whatever reason, we will now proceed to group three.

Mr. Ian McClelland (Edmonton Southwest, Ref.) moved:

Motion No. 5

That Bill C–64, in Clause 6, be amended by replacing line 9, on page 6, with the following:

"(*b*) to hire or promote any but the best qualified persons;".

He said: Mr. Speaker, this section of Bill C–64, the Employment Equity Act, otherwise known as affirmative action, goes right back to the start and I would merely add to earlier comments I made. I should put this in some context for members in the House who, unfortunately, were not here earlier today to hear my initial comments on the bill and for those many thousands of Canadians watching on television.

Bill C–64 is the Employment Equity Act brought forward by the Liberal government. Employment equity is a phrase coined by Judge Abella about 12 or 13 years ago in the full understanding that affirmative action would never sell in Canada. To make it politically correct it was given a new name and it became employment equity rather than affirmative action.

Here we are with affirmative action in the guise of employment equity.

Ms. Clancy: Wrong, absolutely wrong.

Mr. McClelland (Edmonton Southwest): I hear wails of outrage from members opposite. I can understand that. However the foundation on which this bill rests is faulty. It is false. The foundation is that somehow or other Canadians are a mean, regressive, racist, discriminating people. Canadians are nothing of the sort. We are not that. We do not need the federal government creating more paperwork, more book work, in order to do what it feels, I am sure, is the right thing, to prevent discrimination in the workplace.

When debate on third reading unfolds we will make it abundantly clear that no such discrimination exists in the workplace. The workplace, particularly outside the federal government, is progressive. Industry leads. It is a totally unnecessary law.

I know we are all going to have an opportunity to say what we wish to say about Bill C–64 when it comes to third reading and I will leave my introductory comments at that.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I want to address some of the fears and misconceptions which the Reform Party member is taking advantage of in this motion on best qualified.

These are anxious times for many Canadians. The economy, while improving, is no longer as assured as it once was. Jobs are not as permanent as once expected. Canada's labour force has experienced swings as traditional industries shed workers, while new ones arise with different skill needs. There is a sense that the economic pie is not growing as much as we would like it to.

• (1525)

The government understands that families face social pressures that were largely absent a generation ago. Young people grow up surrounded by issues from which they cannot be sheltered. There is a sense that our society is more troubled than it once was.

The federal government is pursuing an agenda that is addressing those issues. However, we recognize there are a lot of ways people respond to those different kinds of uncertainty. One is backlash against people who are perceived as part of the problem. Any groups that are seen to be by some as pushing for too much or getting an undeserved share of too limited resources face an angry response.

I think this is the real motivation behind the Reform Party's introduction of this motion on best qualified.

However, the truth is often far different than those stories would indicate. Unfortunately, lots of people are having trouble finding good work. In fact, people from the designated groups under employment equity are more likely to experience those problems that other persons.

Employment equity is not about preferential treatment. The simple fact is that Bill C–64 does not oblige an employer to hire an unqualified person. It is quite explicit on that point.

Let me quote Mona Katawne of Manitoba Telephone System who testified before the standing committee. She said:

> There is no evidence that hiring from among the designated group members is a lowering of qualifications; in fact, the evidence is to the contrary. There are people from the designated groups who are both available to work and qualified to work.

The fact is that our economy has surpluses of highly qualified people from all designated groups for many of the jobs that are out there.

However, this myth of preferential treatment persists because of misinformation. A perfect example is the Gallup poll that appeared in the December 23, 1993 Toronto *Star*. The headlines blared that 74 per cent oppose job equity programs. Let us take a look at the actual question. What was the question? It was:

> Do you believe government should actively attempt to hire more women and minority group members for management positions, or should government take no action whatsoever and hire new employees based solely on their qualifications?

With such a question the response was what the headlines blared. The question unfairly forced people to choose between actively attempting to hire more women and minority group members and hiring based on qualifications. I am not surprised that 74 per cent, when asked such a question, chose qualifications.

Employment equity means broadening access to all qualified people. It means giving people the chance to become better qualified.

On virtually any scale people in the designated groups fare poorly in today's labour market. I want to underscore that point. There are still barriers to full participation by members of the designated groups. The goal of this legislation is to end those barriers, not to create a new discrimination against someone else. It is to end those barriers.

Let us look at one specific group that fares especially poorly in our labour market and that is people with disabilities. Only about 60 per cent of adults with disabilities are in the labour market at all. They have unemployment rates that are almost double the national average and that costs us all as Canadians.

The Canadian Association for Community Living did a study that looked at people with mental disabilities. They calculated the loss to our economy of large scale segregation of these people from our economy in terms of lost tax revenue due to unemployment, social assistance costs and lost consumption. They found that the cost to Canada's economy of keeping these people out of society in many ways is about $4.6 billion a year.

• (1530)

We must reject those attacks on employment equity and defeat the motion. It is important that those of us who come here responsibly realize and recognize the demands of society, the demands that are before us and do what Canadians expect of all of us in the House. They expect us to be caring, compassionate, responsible individuals ready to meet the needs of society, ready to ensure that equity and equality exist in society.

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, I rise to address the motion put forward by the hon. member to amend clause 6.

Let me say at the outset that clause 6 was included in the bill to dispel certain myths about employment equity. One such myth is that employment equity means hiring unqualified people. According to this myth employment equity requires employers to lower their standards and change their job requirements to accommodate inferior candidates.

This notion is absolutely false. It is pure nonsense. It is the complete misunderstanding of what employment equity is about and it is extremely degrading to members of designated groups.

We have included clause 6 in the bill to make it perfectly clear to everyone, so there can be no mistake. However the change proposed by the hon. member is unacceptable. Although it adds nothing of substance to the bill, it creates a host of additional problems by including the new notion of best qualified.

The first problem is obvious. What does best qualified mean? How do we determine best? Best according to whose definition? I do not deny that sometimes it may be possible to establish a very sophisticated, completely objective method to determine a best candidate, but too often best simply ends up meaning someone just like me. In these situations best becomes another excuse to create barriers. We do not need more barriers.

Who is best? Is the candidate with the most university degrees always the best? Let us say we are talking about hiring a cook or a manual labourer. Book learning is not the main qualification for the job. Obviously skill is. Is the candidate with a master's degree in law better qualified than the high school graduate, even though the degree has nothing to do with the job at all? Or, have we created just another barrier? I repeat that we do not need more barriers.

The government stands firm about employment equity. It does not require any employer to hire unqualified individuals. However it asks employers to look actively for qualified applicants in places they might not have previously looked. It asks them to find qualified workers in designated groups that have been overlooked and consider them along with other qualified candidates. It asks them to eliminate barriers in these processes, but it does not dictate the outcome of the hiring and the promotion decision. It certainly never asks them to hire someone who is not qualified.

Sometimes certain employers go further. Sometimes a big hearted employer will find and train people who have not had a chance. They will see to it that these people become qualified. Let us make no mistake. These employers do not have to do it. The law does not require it. However they find it brings their companies unexpected benefits.

I will tell a story about one such employer. Canada Mortgage and Housing Corporation, a crown corporation, recently instituted a special pilot program for four young people with intellectual disabilities. Three of the four have Down's syndrome. These four individuals were carefully trained for the company for temporary photocopying, filing and messenger jobs. They were always willing and co–operative. They were extremely proud of their new found independence and their success in this work. Their families were grateful that the responsibility for their children was being shared.

• (1535)

It is most interesting that although the four people required extra supervision they unexpectedly brought much happiness and compassion into the workplace. Though their lot in life was different they never complained. Their happiness and gratitude were contagious. They caused very beautiful qualities to blossom in their fellow workers who were touched and inspired by their innocence, simplicity and gratitude.

These four individuals brought a great deal of joy to the workplace. The project's participants, supervisors and workers received one of CMHC president's excellence awards in 1994. Though they may not have been the best qualified for the job according to traditional standards, they performed their job with enthusiasm and in doing it brought something special to the workplace. They made it a better workplace for everyone.

Sometimes the whole is more than just the sum of the parts. In looking for excellence we sometimes find it in the most unexpected places. We sometimes achieve it in the most unexpected ways. This is one lesson of employment equity. I would not want to tie in any way the hands of an employer who wants to undertake an innovative program such as the one at CMHC.

I frankly do not know what the full impact of including best qualified in this section might be. I fear, however, that it would ultimately constrain the efforts of employers who will look for best in new areas and for best in the sum total of the parts. For these reasons I cannot support the motion.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I should like to follow on the hon. member's comments with respect to the word best and the concept of best qualified which Reform is seeking to introduce into the legislation. It strikes me that it could have a twist, an irony of resulting in imposing on the private sector a ridiculous standard. The word best is very hard to define. The prior speaker indicated that he thought the language itself was problematic.

If we use the term best qualified then we would have to look somewhere for a definition of it. I briefly looked in the Oxford dictionary and it states that the word best can be an adjective, a noun or an adverb. It is defined as follows: "excelling all others, inherent or relative to some standard, the most appropriate, advantageous, desirable, or in a person, the kindest, the greatest in size or quantity", and so on.

I wonder how the Reform Party will explain that kind of an imposition of regulation on the private sector. Which of those definitions should we choose? Are we asking employers to hire the biggest person, the kindest person, the most appropriate person? If the job involves answering the telephone, do we need a Ph.D. in communications, or would a graduate certificate from a business college suffice? Could we use someone who has a physical disability to answer the telephone?

My view and the view of many people on this side of the House is that the imposition of the term best qualified is ridiculous in this context. How can we legislate a definition of best, a word that could have different grammatical forms?

All this goes back to the fundamental Reform position which is absurd in my view. Government is not here to create barriers. Government sometimes has to act to take away the barriers, to intervene on behalf of our citizens to remove barriers in different situations: barriers in the legal system and barriers in employment.

Reform has stated today: "The only criteria on which people should be hired or promoted is merit. Anything else is discrimination".

• (1540)

Testosterone levels are a little high on the Reform benches today. The concept of discrimination is dealt with under the Canadian Human Rights Act. If Reformers would bother to read that act, they would see that their definition of discrimination does not hold water.

The Canadian Human Rights Act specifically allows special programs designed to reduce the disadvantage suffered by groups or individuals when those disadvantages are based on race, national or ethnic origin, sex, disability and other characteristics such as accidents of one's birth or accidents of one's life. These programs are allowed under that statute and under the Constitution of Canada.

I know it upsets them to mention the charter of rights and freedoms because they do not like it. However I would like to draw the attention of hon. members to the law of the land, section 15(2) of the charter which deals with the right to equality before and under the law and to equal protection and benefit for all individuals.

Subsection 15(2) of the charter states:

> Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

That is part of the country's Constitution. It means that equality means more than just treating everyone identically. It means that equality also requires special measures and the accommodation of differences. That is what employment equity seeks to do, to achieve equality in the workplace through the accommodation of differences, through the elimination of barriers, through outreach recruiting programs, but not through hiring the unqualified. This is not discrimination by any stretch of the imagination.

We fully support hiring on the basis of merit. Nobody is disputing that point. However Reformers have created a strawman. They call it discrimination. They set it up and then they knock it down.

That is why section 6 is included in the act. Section 6 is there because employment equity does not require any employer to hire someone who is unqualified. That is what section 6 does.

How much clearer can we be? Reform repeatedly insists on raising this spectre. I want to be perfectly clear that employment equity is by no stretch of the imagination discrimination. It is perfectly compatible with the Canadian Human Rights Act and the Canadian Charter of Rights and Freedoms. If Reform members object then we should let their objection be against the

foundations of the country and not against Employment Equity Act.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I have heard Reform members say that we should be hiring on the basis of merit. That is what the legislation is all about. It is what it has been all about for over eight years now.

It is about getting rid of barriers in the system that have prevented people from being hired, from being promoted, from being given job opportunity regardless of merit. Colour of their skin, aboriginal origin, disability and gender have all acted against people of merit and kept them from getting jobs. That is exactly what the legislation is about.

We disagree that the Reform Party does not want to accept the reality of life for over 60 per cent of Canadians who have not been given opportunity, despite their merit, despite their ability, despite the contribution they have to make. The legislation and the pre-existing Employment Equity Act are all about making merit and only merit the criteria on which hiring takes place.

I welcome the motion. It gives me an opportunity to clarify what the bill tries to do. It is an employment equity act. It is not an employment preference act. It is about creating equality in the workplace. It is about fairness. It is about removing employment barriers which blind us to the merit of individuals to provide all with the opportunity to compete fairly for jobs. It is about hiring qualified people to do the job, not only those who fit an image that for a long time we as a society and managers in our society have seen as the kind of person most likely to succeed.

• (1545)

Let me read what Bill C-64 says in this regard. The bill states that the obligation to implement employment equity does not require an employer to hire or promote unqualified persons. That is very clear, notwithstanding the comments that have been made about employment equity requiring somebody to hire somebody just because they are female or are black or Oriental or aboriginal or just because they use a wheelchair.

Members can refer to the existing paragraph 6(b) for confirmation. We want to create a level playing field for all workers. That is why we insist on the equal consideration of all qualified applicants. We believe that every individual, regardless of race, gender, or disability, must have a fair opportunity to prove his or her abilities and be given a fair chance to contribute to the Canadian workplace.

For far too long a large segment of our society has not been allowed to contribute to the Canadian economy the abilities they have. As we face an increasingly competitive global marketplace, we cannot afford not to use the full talents of all our people.

Bill C-64 is not about dictating to employers the result of an individual recruitment decision. It is about encouraging employers to assess their entire approach to employment, to make sure they do not either consciously or inadvertently create barriers to capable job candidates. Let me repeat that: capable job candidates.

There is no doubt those barriers do exist. I believe my hon. colleague underestimates the prevalence of systemic although unconscious discrimination in the workplace. It is as insidious as it is invisible. Countless well qualified men and women members of the designated groups have not obtained positions or promotions because of their race, their physical attributes, or their gender. To dispute this is to deny mountains of reports that consistently paint a picture of workplace injustice. To deny this is to deny the real daily, painful experience and frustration of millions of Canadians who are not allowed to contribute consistent with their ability.

Systemic discrimination is no longer acceptable. With this legislation we are encouraging employers to create the conditions in which no segment of the population will be discriminated against or excluded in job competitions. Only in this way can we be assured those selected will be the most capable of doing the task.

I hope my hon. colleague understands this bill establishes a floor, a foundation from which employers can build a more equitable and representative workforce. They can only do that by getting rid of barriers that have kept women, people of colour, aboriginal people, and people with disabilities largely in the lowest paying jobs.

The point of the act is not to tell employers how to go about the details of their business. This House is not interested in the micro-management of the affairs of business. Employers have made it clear they do not need nor want the hand of government in their internal operations. That is why this amendment is so out of place. The impact of the Reform Party's amendment would be to get into the business of telling companies how to run their businesses.

Best by whose definition? Best by the definition that has taken the category of clerks in the public service, the lowest paid and probably the least qualified in many cases. Eighty-five per cent of them are women. But in the top ranks of that lowest category, guess who rises? It is not the women, who are 84 per cent of the employees, but the men.

• (1550)

We have had employment equity not by legislation but by policy in the federal government for over a decade. Still barely 18 per cent of our management category are women.

Maybe Reform Party members would like to make the argument that women are inherently less qualified and that is why they have not risen to the top. Well, I would love to see them try to justify that argument.

Maybe they have not read the reports that say that equally or better qualified black males in the country earn up to 20 per cent less than white males. Maybe they have not seen the reports that document how the disabled are kept out of employment and if they do get employment it is often temporary, short term and low paying.

Maybe Reform members want preferential treatment for less than half of our population to continue. Maybe they do not want everybody to have an equal opportunity. Well, this government does. We believe that we have an extremely talented population and it is going to be essential to our competitiveness that we use every bit of talent this country possesses. We have to get rid of the blinkers and blinders that have kept both government and the private sector from giving opportunities to people based solely on their merit. We have to get rid of the perception of gender that says women cannot do certain kinds of jobs or certainly cannot do them as well as men.

I do not know a man who is competent or capable who is not prepared to compete on an equal playing field with any woman in Canadian society. Those who want to continue preferential treatment must have something to fear, and they all seem to be concentrated in the Reform Party.

This country has prided itself on equality of opportunity. This is another step forward in equality of opportunity. The Reform Party keeps referring to social engineering. Well, it is social engineering when 90 per cent of those who rise to the top represent less than half of the population. That is social engineering. It is unconscionable. It is a waste of the talents and energy of the majority of the Canadian population.

No, I do not have all the answers. But I do know that I do not want to walk into the banks of this country and tell them very precisely that they must hire only the best qualified, which then government would be constrained to define in the legislation so they could apply my definition to every single hiring process, which happens by the hundreds of thousands in the banks of this country every year. No, I do not want to operate that way. Yet that is the way the amendment from the Reform Party would have us operate.

I urge the House to reject the amendment and I urge us to get on with the business of hiring people in the country based on merit and not on their gender, race, disability, or aboriginal origin.

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it gives me great pleasure to speak on the bill and maybe share with my colleagues some of my own experiences in this area.

I can tell the House that Bill C–64 is very progressive because it is the way corporations and large businesses are going. As members of the board of directors of B.C. Hydro, we adopted a theme and a vision for the corporation that the workforce of the corporation should reflect the community it serves.

The bankers have said it is the right way to go. Let me read to the House what the Canadian bankers have stated on employment equity: "It has stimulated fundamental reviews and enhancement in the bank's human resource policies and practices, which have benefited everyone. It has helped us lay the foundation for managing an increasingly diverse workforce, something every employer of choice in the 1990s wants to do well."

• (1555)

Whether it is West Coast Energy, the banks, or any other corporation, they have recognized that the future workforce is going to be diverse. They have to plan for that diverse workforce. They have to ensure that the future workforce has the skills. Employment equity takes the barriers down. It takes away those barriers that do exist. And they do exist.

I remember when I was about 18 years old I used to work in a sawmill at Crown Zellerbach. I noticed that out of a very large workforce of 2,000 to 2,500 it did not reflect what every other sawmill reflected. It came to my attention that the personnel manager at that time was discriminating. He was discriminating against hiring visible minorities.

I had a job there. I got a job and I could have said I have my job, I do not have to worry about this. But it did not reflect the community. People who would apply there from visible minority groups and who had the qualifications would not get hired.

I remember I was 18 years old and I made an appointment with the vice–president of the corporation. I went there and said he had a personnel manager who discriminates against certain groups and is not hiring them. Of course they were very defensive and said that it was not true, but in fact it was true. It was true.

Even though the vice–president of the corporation at that time did not admit that, the personnel manager was let go. Lo and behold, over the next two or three years we saw quite a different hiring procedure, quite a different way in which people were hired.

There are barriers all the time. There are barriers against the disabled. I know that. My own father unfortunately lost his vision around 22 or 23 years ago, when he was a young man of 40. When that happens to someone who is close to you, you realize the barriers that exist for them, the barriers in their daily life, never mind the barriers of trying to get employment, trying to make sure that you are fulfilling your daily life, the things we take for granted.

This employment equity bill recognizes that barriers exist against certain groups. We want to have a plan to reduce those barriers just as we do in this House. We want to ensure for example that more women are represented in the House. Is it wrong to plan to do things in a better way to improve their representation in the House? Is that wrong? That is right.

There are ways we can do things to take away those barriers, to reduce those barriers. That is what the employment equity bill is all about. It recognizes that barriers exist and that we want both in the public sector and in the private sector to lay out a plan. Maybe it is their hiring procedure. They have to look at how they hire.

For example, the aboriginal community has been left out, and we have to work hard to include them. Look at the social problems in the aboriginal community. I have gone through the streets of Vancouver with a policeman and walked through some of the most difficult areas there. We know that we have neglected our job, that we have not done it, because we see so many of them with drug and alcohol problems, with tremendous social problems. They have been left out. They have not been able to participate in the benefits and in the economy.

First we must recognize those barriers exist. All of this is a plan to see how we can tear down those barriers, reduce those barriers by saying we are not doing things the right way. Maybe we are not hiring in the right way. Maybe we are not planning, maybe we are not training. All of these things are very important.

It is also beneficial and profitable for the corporation. As someone who was an employer, I know how important it is to make sure you have a diverse workforce because in the global economy that diverse workforce will be a great advantage to you. It will provide new sources of energy, different ways of looking at things and it will open doors when we trade in the international community and in the global economy. We have to recognize that as an asset. We have to recognize that our diverse population is a tremendous asset. We have to recognize that in all our corporations and companies the diverse population should be reflected in those institutions and in our private sector corporations.

• (1600)

This is an excellent bill. When the members of the Reform really have a good look at this bill they will support it. It will make sure we do things better, that we include people, that we make sure we have a good reflection of what this country is all about in all our institutions, in our private corporations as well as our public corporations.

The Speaker: Is the House ready for the question?

Some hon. members: Question.

The Speaker: The question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

The Speaker: Pursuant to Standing Order 78, the recorded division on the motion stands deferred.

We will now turn to Group No. 4, Motion No. 7.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ) moved:

Motion No. 7

That Bill C–64, in Clause 15, be amended by replacing lines 14 to 27, on page 10, with the following:

"(*b*) the preparation of the employer's employment equity plan.

(2) Where the employees are represented by a bargaining agent, the bargaining agent shall participate in a consultation under subsection (1).

(3) A consultation under subsection (1) is not a form of co–management.

(4) The employer and its employees' representatives must implement and revise the employment equity plan jointly."

He said: Mr. Speaker, I am tempted to say that this is one of the best motions you will see during your career, and I am rather confident at this point that even the government will support it.

We spent a lot of time reviewing Bill C–64, which was referred to our committee at second reading. This motion essentially provides that employment equity must be based on a joint effort, so as to ensure that it is effective and that the prescribed objectives are reflected in the workplace.

Any organization that has been successful in promoting employment equity has managed to do so because the employer's and the employees' representatives got together and agreed on certain objectives.

This amendment seeks to ensure that employees' representatives can participate in the preparation and implementation of the employment equity plan. As you know, the Bloc Quebecois is very much in favour of employment equity.

The problem that we found when we reviewed this bill, and the parliamentary secretary should pay attention since his support would be helpful, is that there is no clear provision to ensure that workers will be involved in the implementation of the plan.

The bill only includes a rather vague provision on the implementation of employment equity plans, and the parliamentary secretary cannot claim to ignore the fact that the clause did not receive much support.

Indeed, the parliamentary secretary surely remembers that, when union officials appeared before the committee, they expressed a great deal of concern about clauses 14 and 15 dealing with the consultation process. Clause 15 refers to a consultation, but it does so in general terms; there is no mandatory or compulsory process.

• (1605)

It is very important to understand the purpose of the amendment, and I think the Reform Party will agree that an employment equity policy is not feasible without the consent of all parties within a company.

That is definitely the purpose of this amendment. Companies and workers even came to see us to compare notes. They told us that in the Canada Labour Code, a provision required the policy on sexual harassment to be posted. What kind of action or measures should be part of an employer's policy against sexual harassment? A number of unions came to see us and said that ideally, to promote employment equity each employee should receive the employment equity plan. The plan would be available in the company and be posted in public rooms and areas.

We can never stress enough the importance of consultation and consensus in achieving this goal. We were, and still are, afraid that if we as parliamentarians, if the House of Commons does not adopt this amendment, the bill will again suffer a degree of imbalance and there would be a definite bias towards the employer and a tendency to be less forthcoming to the representatives of the workers.

I may recall that this bill will make the Canadian Human Rights Commission responsible for monitoring employment equity. In case of violations of this legislation, the commission may establish an employment equity review tribunal.

This is a major innovation. Unfortunately, the tribunal will not include labour representatives. What also bothers us in this bill is that because there will be an employment equity review tribunal consisting of three people, there will be no right of appeal. This is quite a decision, and I see Mr. Speaker, that you share my reservations and that is your social conscience speaking out.

My point is that there are few instances under our justice system when there is no right of appeal. In most cases, whether we are talking about criminal law or an administrative tribunal, it is a foregone conclusion, and the hon. member for Lotbinière is aware of this, that the person who appears before a tribunal always has the possibility of launching an appeal.

In this case, there is a clear imbalance which the amendments of the Bloc Quebecois are meant to correct, and I am confident that the government majority will support this view. As for the Reform Party, knowing what they are like, I never felt very confident about their support.

It would be very interesting at this time, for continuation of the debate, if the parliamentary secretary would rise and agree with me that the bill would be improved by acceptance of the Bloc Quebecois amendments, which I would remind you would ensure that negotiating agents, if present in a company, would be involved in more than just the drafting process, through the employer's possibility of consulting them. These consultations, however, are often optional rather than mandatory.

With our amendments, there would be an obligation not only to consult the workers' representatives, the negotiating agents, but also to involve them in the implementation process. Consultation is equally important during implementation, when an employment equity plan has been agreed upon, as it often has to be lived with for two, three or four years. There may be staff turnover, but the basic objectives remain.

• (1610)

We on this side of the House are of the belief that the way to meet the objectives, and to ensure that the plan is what both management and labour want, is to require the employer's representative, who may make his views known in a tribunal specifically designed for that purpose, to remedy any existing imbalance, and to ensure not only that workers and their representatives are consulted on an optional basis, but rather that their participation in the implementation process is mandatory.

As you know, the implementation process is, in concrete terms, the way the objectives will be met after concrete agreement on an employment equity program is reached. This is something no legislator can put into the wording of a statute, because it is part of the internal dynamics of a company. It is a bit like a marriage contract. You may well say: "Who does he think he is, talking of marriage?"

But you would be wrong in that, Mr. Speaker, because I have many examples around me of what marriage is, and I know that marriage is a matter of trust. It is a matter of an undertaking between two individuals, whether of the same sex or of opposite sexes, who have chosen to forge a link of trust. For employment equity to be a viable entity, for it to be realistic, there must be trust and understanding involving all parties concerned. And by

all parties concerned I mean of course the negotiating agents, if present in the company, and the representatives of the employer.

I would be extremely disappointed—having invested a great deal of energy, working hard on the committee, as the government is well aware, the parliamentary secretary as well—extremely disappointed if ever these amendments were struck down. I must admit that my confidence in this government would be seriously compromised in future if that happened.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I would like to take this opportunity to express our reservations concerning the amendment presented by my colleague. Like my colleagues I do, however, appreciate what my colleague and his party, the Bloc Quebecois, are attempting to do with a view to improving Bill C–64.

Examining the motion, I find it goes a bit too far. Its intentions are probably honourable, but if we look at it in detail, the amendment is not practical. What is being proposed in this amendment is to create a prerequisite that both groups, employers and employees, establish equity plans.

[*English*]

This proposed change to the legislation would create a requirement for employer and employee representatives to implement and revise employment equity plans jointly.

I can appreciate that my colleagues believe it is essential to have labour input for the planning and application of employment equity in the workplace. I assure them that within the existing legislation provisions have been made to ensure there will be consultation and collaboration between the parties in the preparation, implementation and revisions of companies' employment equity plans.

The bill was amended by the standing committee as a result of input from the Bloc Quebecois. It was the previous speaker who encouraged the committee to include this provision.

Clause 15 of Bill C–64 acknowledges that collaboration between management and labour is necessary if changes sought by employment equity are to come about. It signals that success in achieving an employment equity workforce requires the active collaboration of labour and employers to eliminate artificial barriers to members of the designated groups. However, we must not confuse representation with responsibility. Collaboration is not co–management for very good reasons.

If implemented this amendment could seriously compromise the prerogatives of management to implement employment equity at the work site as it sees fit.

• (1615)

The employer must have the final say over the way employment equity affects the workplace because it is ultimately the employer who is legally responsible for the act's implementation. Only management is accountable for meeting the obligations set out in this legislation. It would be patently unfair to impose that responsibility on management if it was forced to share all decision making with its employee representatives.

There are several other good reasons this motion must be defeated. Among them is the fact that the proposed amendment would only preserve the co–management limitations for the initial preparation of an employment equity plan. This provision would be removed for the implementation and revision phases of the employment equity plans. Further and perhaps of greatest consequence, the amendment could lead to a requirement for negotiation between labour and management rather than a consultation.

I can assure the House that we are not prepared to see employment equity used as a bargaining chip in contract talks and negotiations. A bargaining agent might refuse to co–operate, perhaps motivated by reasons that have absolutely nothing to do with the goals of employment equity and thereby bring the implementation of a workplace plan to a halt. We will not have this critical piece of legislation compromised by the vagaries of union–management talks in negotiations.

Another important consideration is that employment equity is an integral part of human resources management. Company after company testified before the Standing Committee on Human Rights and the Status of Disabled Persons and told us what an important tool employment equity has become in their overall business plans.

The sort of regime proposed by the Bloc Quebecois might provide unions with an opportunity to exercise direct influence in areas that remain the sole prerogatives of management, such as recruitment.

I have several other fundamental problems with this motion, which is obviously very flawed. Let us look at the reality that the collaboration requirement cannot be the subject of a direction by the human rights commission or an order by a tribunal. Clearly a true spirit of co–operation has to come about spontaneously. It cannot be forced or coerced.

Aside from that, there is the fact that the primary reason the government decided against making this collaboration the subject of a direction or order is that there is no provision in the act for a tribunal to make orders against a bargaining agent.

Collaboration requires two parties working together. It would be discriminatory to enforce this provision against only one of those parties, that is, the employer. It is worth noting that the proposed amendment will also reduce the consultation requirement that exists in Bill C–64.

In the amendment there no longer has to be consultation about the implementation or revision of an employment equity plan. That consultation requirement can be the subject of a direction by the commission or an order by a tribunal. I must say I find it surprising that the Bloc would recommend deleting these crucial provisions and replacing them with weaker provisions that cannot be the subject of a direction or order.

For these reasons, it simply does not make sense to seriously entertain this motion. The government is satisfied with the clause the way it now stands as amended in committee.

Again I want to thank the Bloc for its contribution in committee in this regard. I believe our willingness to accommodate the Bloc's concerns is testament to the goodwill we see in this House. But we must not be tempted by good intentions to push the process too far. To go further is inadvisable.

Our approach to this issue is not arbitrary nor is our amendment despotic. It is simply realistic. Management has the final responsibility for all employer obligations under the bill and will be answerable to the Canadian Human Rights Commission if the obligations are not met. Therefore final decision making must continue to belong to management.

I trust that this explanation satisfies the House that this motion must be rejected. I urge my colleagues to do precisely that.

• (1620)

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I will be very brief. I am rising to speak in support of my colleague's motion.

Members present all know that this legislation is going to go through come hell or high water, so the very least we can try to do is make it better. This motion by my hon. colleague does make it better. It ensures that the workers, the people who are intimately involved in this, have a say in what goes on.

As long as we are going to have this employment equity or affirmative action, the very least we can do is try to make sure it is going to work. The motion put forward by my colleague from the Bloc will go a long way in helping to ensure that it does work. Therefore, I rise to make the point that we are in support of this motion.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I can hardly stay on my feet after that. It is phenomenal.

The hon. member for Hochelaga—Maisonneuve has made a great contribution to this legislation at committee. Although I am not a permanent member of that committee, I do have some interest in this particular legislation. I sat in on that committee a couple of times and was very encouraged by his participation.

I do have some reservations about this motion but not because I am not sympathetic to union–sided labour requests. In fact I am very sympathetic to their concerns. However, it seems to me this section is not necessary in order to get co–operation between management and trade unions or employee unions in this context. Any employment equity plan could and should and indeed probably will be the subject of a collective agreement.

The problem I have with this is in legislating union involvement as opposed to leaving the balance between management and unions the way it is so that management retains the prerogative in terms of recruitment.

It seems to me that clause 15, which the member for Hochelaga—Maisonneuve had a hand in establishing at committee, sets out the necessary collaboration between management and labour. However, the problem is that ultimately, because management has the prerogative to hire, only management can have the responsibility under the scheme of this act.

I would be afraid that if we create a scheme where management and union are both responsible, then effectively we undermine our ability to enforce employment equity through management. We cannot simultaneously undermine management and promote a scheme that would make labour responsible for management activities. It seems to me this is an integral part of human resources management and an important part of the general Canadian way of doing business.

Only the employer has the final decision on who to hire, promote, train or terminate. The hon. member should be conscious of the importance of that within this bill because it allows us to maintain the balance between management and labour. There is no disagreement here. We need the unions to participate fully, but we cannot upset the balance by forcing them to co–design a program or to consider them co–responsible with employers or we are going to undermine the system.

I would like to remind my colleague that workforces of employers are often represented by more than one union. This happens frequently, for instance, in Windsor, Ontario where I am from. If all union representatives were expected to co–manage the preparation, implementation and revision of this kind of plan there could be a situation of protracted delays in implementation, increased costs to employers and possible deterioration in labour–management relations.

• (1625)

To my good friend from the Reform Party, I would like to point out the cost of this to government would be phenomenal. If unions as well as employers were to submit reports and the human resources ministry required to make the reports public, there would be significant additional costs incurred. Since the human resources development ministry is required to make reports public, every expansion requires a greater budget for copying and distribution to interested parties across the country.

It is because of the Canadian people and in their interests that the Employment Equity Act is where it is today. It is a viable and effective tool for human resources management. I think we should let it continue to work the way it is, working co–operatively between management and unions. This has been done successfully in most employment equity activities for over a decade. Employers should continue to strive to get the input of interested parties in this valuable process, but let it be part of the collective bargaining system rather than something we enforce.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I would like to begin by associating myself most strongly with the cogent and competent comments of my colleague. I would continue the alliterative strain by naming her, but that of course would be unparliamentary, so I would merely congratulate the member for Windsor—St. Clair.

I want to say that I congratulate as well the member for Hochelaga—Maisonneuve because I know he has worked very hard on the committee. However I think his amendments in this particular vein do not go anywhere to further the spirit of the bill. It is furthering the spirit of the bill that the passage is all about. I guess I could say we want it to go through spiritus intactus, because this is a very important piece of legislation. It is important because it is broadly misunderstood in more than one area.

I heard earlier today, before leaving the House to go to committee, people equate employment equity and affirmative action. I want to talk about that first of all because employment equity and affirmative action are not the same thing. Indeed, if I could go into employment equity, especially today, when we have all been visited by members and representatives of the Canadian Medical Association, a medical metaphor might be appropriate. When I say that employment equity is preventive, affirmative action is curative.

I might add that affirmative action is something that is enshrined in our Constitution, in our charter of rights and freedoms. Employment equity too has a very respectable and respected history in the House and indeed in the legislatures of a number of the provinces.

When I hear employment equity attacked I constantly hear it attacked on the basis of a new disadvantaged group. I want to make it very clear that I am not speaking now with tongue in cheek. I am not being sarcastic. I am, if anything, being plaintive. As I stand here in the House of Commons in this fall of 1995 I am a little tired of hearing that white males in this society are some sort of endangered species. White males still get 60 per cent of the jobs in this country. Name the profession, name the job category, name the area and they still do better than anybody else.

Just look at the Chamber when it is full. Look at it tonight when we have the vote. Who are the overwhelming members of this Chamber in all parties? White males, and fond I am of most of you. However there is no question that it does not reflect the demographic picture of this country.

First, if the House were to reflect this country demographically, 52 per cent of the seats would be taken up by females first and foremost. We are slowly but surely getting to that point.

• (1630)

An hon. member: Right on.

Ms. Clancy: Mr. Speaker, I apologize. There appears to be some problem with the ventilation system in the Chamber. I am not responsible for the noise I assure you.

The Deputy Speaker: The member has a good point but I would ask her if she would please not use the term "you" except when referring to whomever happens to be in the chair. I am sure the noise will diminish.

Ms. Clancy: I apologize, Mr. Speaker. At any rate I have used this phrase in a somewhat humorous vein but I will use it in truth here in this Chamber.

A number of my colleagues in debates on gender equality, employment equity or in whatever particular area you want said to me: "There are women's groups, where are the men's groups?" I say not at all in jest there is a men's group and it is called western civilization. That is the men's group.

If you go to any legislative assembly in the western world with the exception of two of the Scandinavian nations, the majority of elected members are white males. This is not to say that white males do not do a good job. Sure they do. But it is not the only face to be represented. Nor is it the only face to be represented on television stations, in radio stations, in fire stations, in whatever areas of employment, particularly those that come under the purview of the federal government.

It was my great pleasure and to my great benefit in the area of education that in the last Parliament I was the vice–chair of the committee that reviewed the employment equity legislation. I listened to a number of well–meaning white males who came before the committee and bragged. For example, in one organization—I will not name it but it has something to do with horses and red coats—in 24 years of an employment equity program it had added to the very highest echelons something like 20 women. Mr. Speaker, I think you will sympathize with

me that I found that statistic a little wanting, not to say a little daunting as well.

There is not a homogeneous culture in this country. There are any number of phrases that can be used to describe the beautiful face of Canada. The one that I heard most in my childhood was a vertical mosaic. I still like that one. I think it speaks very well to us.

We have used the phrase multiculturalism over the years and I like that one too. I like the fact, no, I love the fact that in this House of Commons today we see represented a variety, a rainbow of races, religious backgrounds, creeds and so on. That is the face of Canada. Our sorrow, our tragedy and our fault as legislators is that the rainbow is not represented the way it should be in the employment categories in those various institutions that fall within the federal purview.

When we dealt with employment equity in that committee in the last Parliament the big problem was enforcement and teeth. This bill is going to change that. This bill is going to make employment equity a reality.

I can only say that those people who fear it—and I am prepared to explain the difference between affirmative action and employment equity if they have a problem—do not really understand it. There is nothing to fear in allowing, encouraging and promoting the participation in the fullest sense of the word of all Canadians. It is our country. It belongs to all of us. Everyone should have equality of opportunity.

• (1635)

I do not for one instant think that anyone on either side of the House would be prepared to stand and deny that he or she agrees with equality of opportunity. That is something that all of us, no matter what our political stripe, agree with.

Consequently, if one agrees with that, then they must support this legislation. This legislation is not about special rights. It is not about saying to people they deserve something better because they are different. It is saying: "You deserve your share of the Canadian dream. You deserve equality of opportunity. You deserve to have systemic discrimination, unnatural barriers removed so that with your training and your ability no matter what your skin colour, your gender, your religious background, your regional background, et cetera, you have the same road ahead of you as any other Canadian".

As we stand here and go forward in these pre-referendum days, Canadians are looking to us as legislators to talk about what this country really means. All of us know that what it really means is fairness, a sense of justice and an opportunity even for people who do not know what they are talking about to speak.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, the hon. member is part of the government. I would hope she would stay for just a few moments because I want to back up some of what she just said.

There are some things she could do as a government member that ought to be done with regard to a certain problem that has developed literally outside the doors of this Chamber. As we all know, a construction program is going on outside. Fuller Construction has a renovation job. It has subcontracted to another contractor who has in turn subcontracted some more to a unit run by Ray Wolf. He apparently made the mistake of having a 32-year old female engineer named Ms. Raney in charge of the project. The intermediate contractor forced Mr. Wolf to quit the job because he was using a female engineer.

Since the hon. member is part of the government I would hope she is listening to this and will do what she can to intervene to make certain this injustice is corrected.

I realize the interim construction company is headed by someone from the Middle East who has a different view of the role of women than some of the rest of Canadian society. However, we live under Canadian law. These are the Canadian Houses of Parliament his company is working on. Surely there could be more ability to recognize people on merit rather than to discriminate against them because a company chooses to use a female engineer.

I do not want to say very much more about this legislation. I am just so angry this kind of thing can happen here on the grounds of Parliament Hill that I wanted to make sure it was raised after someone who has been a firm and loud protector of the equality of women as is the member for Halifax who preceded me.

I was hoping I could add some fire to her usual ability to get things done that would have her take on this case and see if the minister of public works cannot correct this great injustice which has no place in the Parliament of Canada or in this country.

• (1640)

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Mr. Speaker, I want to say at the outset that the Bloc's recommendations have resulted in improvements to Bill C-64. My hon. colleague from Hochelaga—Maisonneuve contributed to the work of the Standing Committee on Human Rights and the Status of Disabled Persons. His dedication to employment equity has added to the legislation.

I have to admit I was somewhat surprised to see Motion No. 7 put forward by the opposition. The Bloc Quebecois has already raised this issue in committee and the committee has gone a considerable way to accommodate it. The hon. member persuaded the committee to accept a requirement that employers

and labour must collaborate in the preparation, implementation and revision of the employment equity plan.

Let me begin by reminding the House the existing act only calls for consultation between the employer and worker representatives. Bill C–64 would go further, ensuring that employees through their unions or employee representatives will have considerably more input to their company's equity plan when the plan is developed, implemented and revised. We saw the merit of this approach and have endorsed it. However, the proposed amendment to the bill goes too far and is not advisable. Allow me to explain why.

This amendment would preserve the employer's sole responsibility to prepare its employment equity plan in consultation with employee representatives. However, if adopted this motion would import a government imposed requirement for co–management rather than collaboration between the employer and employee representatives in the implementation and revision of employment equity plans.

This poses some potentially serious problems since the obligations set out in the act are imposed on employers alone. A bargaining agent might very well refuse to co–operate, perhaps motivated by reasons that have nothing to do with employment equity, and could bring the implementation of employment equity to a standstill, potentially putting the employer in a situation of non–compliance.

Furthermore, since employment equity is an integral part of human resource management this sort of regime might provide unions with an opportunity to exercise direct influence in areas that have usually remained the sole prerogative of management such as hiring and promotion.

Surely my hon. colleague will recognize that management should have the final responsibility for all employer obligations under the bill and would be held accountable if those responsibilities are not met. It is only reasonable, therefore, that final decision making continue to belong to management in this area.

For the benefit of all employers and worker representatives and for the good of workplace relations, I must recommend the House not accept the proposed amendment.

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, I want to say at the outset that I endorse the principle of labour–management consultation and co–operation on matters relating to the workplace under federal jurisdiction.

We all know that working together brings out the best results for all concerned. This is what we are trying to achieve in the wording of clause 15 of Bill C–64 as it has been reported back from the standing committee.

Let me read the introductory portion of what clause 15 currently says:

> Every employer shall consult with its employees' representatives by inviting the representatives to provide their views—

Bill C–64 also explicitly recognizes the role of bargaining agents in the workplace. I quote further from clause 15:

> Where employees are represented by a bargaining agent, the bargaining agent shall participate in a consultation under subsection (1).

The above provisions underline the kind of environment we all want to have in the workplace.

• (1645)

We do not want management to be making arbitrary decisions without addressing the interests of employees. We want the employees to be fully involved in all matters that involve them, be they health and safety issues or employment equity issues.

We want to have a policy of inclusion followed, not one of exclusion. We believe that everyone in the workplace should have the opportunity to put forward their ideas and views. In line with the entire spirit of employment equity is the elimination of barriers.

The standing committee recognized the value of this type of consultation when it reviewed the bill introduced at first reading. The testimony they heard from the witnesses at their hearings led them to strengthen the provisions. The provisions currently in the bill have already been strengthened from what was originally proposed. All one has to do is to read further in clause 15:

> Every employer and its employees' representatives shall collaborate in the preparation, implementation and revision of the employer's employment equity plan.

The standing committee added the concept of collaboration. This goes beyond the concept of consultation. However the standing committee recognized that the concept of collaboration could not interfere with employers' obligations under the act.

It is for the individual employer who has specific obligations under the act that there are provisions for non–compliance when the employer fails to meet these obligations. That is why there is a very important provision at the end of clause 15:

> Consultation under subsection (1) and collaboration under subsection (3) are not forms of co–management.

We need to recognize the responsibility for implementing employment equity in the workplace is that of management. The current wording of the bill provides for this. That is why I have so many problems with the wording of Motion No. 7. We have to be very careful in considering the implications of the proposed amendment.

If adopted the amendment would require the employer and its employees' representatives to implement and revise the employment equity plan jointly. In a perfect world perhaps this would work, but we must recognize that we are still trying to achieve a perfect world, as my colleagues from the Reform Party tell me on a daily basis. This is one reason there is need for an employment equity act and this is one reason the proposed amendment goes too far.

A number of problems would result if the motion were adopted and the act subsequently proclaimed into law. Employers could try to evade their responsibilities by saying that progress is being stalled by an unco–operative bargaining agent. Presumably there would be a call for a compliance officer to intervene, but there are no enforceable obligations on bargaining agents in the legislation. There would be nothing a compliance officer could do in a case where there are bad relations between labour and management, perhaps as a result or in connection with an industrial dispute.

Employment equity is related to the human resources management field and to the hiring and promotion processes. These are traditionally considered to be areas reserved for management. We have to recognize this reality.

• (1650)

Again I reinforce the purpose of the act as set out in section 2:

> The purpose of this act is to achieve equality in the workplace so that no person shall be denied employment opportunities or benefits for reasons unrelated to ability and, in the fulfilment of that goal, to correct the conditions of disadvantage in employment experienced by women, aboriginal peoples, persons with disabilities and members of visible minorities by giving effect to the principle that employment equity means more than treating persons in the same way but also requires special measures and the accommodation of differences.

In summary the purpose of the act is to achieve equality in the workplace and to correct the conditions and disadvantages experienced by certain groups. Bill C–64, as currently worded, provides the appropriate balance between employee participation, management powers and obligations. That is why we should not adopt the motion.

[*Translation*]

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Davenport—nuclear tests.

[*English*]

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I should like to speak to Motion No. 7 that is before us.

I congratulate the member for Hochelaga—Maisonneuve who has been an excellent member of the committee on human rights which I had the privilege of chairing and which looked into the bill before the House today. The member made a lot of useful contributions to the committee. I am glad he affixed his signature to the majority report.

There are still sentiments the member would like to continue to advance. I respect his need to see to it that employees' representatives be at the management table. Although he indicated that the amendment would not result in co–management, I think there are grave doubts and concerns about the amendment. That is why the majority of committee members saw to it that it would not happen.

Why was that? It was because one of the underlying principles of the bill was a balanced approach to the setting of plans and the implementation of the employment equity plan. In that so–called balanced approach we must ensure that as we invoke obligations for employers we do not provide them with unnecessary onerous and impractical burdens. Were the employees to be given this right despite the disclaimer it is very conceivable that it would be construed as a co–management approach. Certainly we feel it will add a real burden for businesses in particular.

In recognition of the contribution of the member for Hochelaga—Maisonneuve we amended the bill to see to it that employers and employees collaborate and consult in the preparation of the plan. We would have liked to have seen the employees' representatives being in on the co–management approach. In the spirit of co–operation at committee level we saw to it that employers would provide information to the employees about the purpose of the employment equity measures of the bill that will be undertaken in the implementation of a given employment equity plan.

The committee also made the point that the bill would not require public availability of employment equity plans which, to be effective, would contain confidential and proprietary information on the part of businesses. Every member of the House would like to see to it that we do not divulge what businesses feel are their proprietary properties and therefore necessary to ensure their competitive advantage in the business world.

• (1655)

We feel we must reject the amendment. In effect it would take the prerogative of management from employers. It would impose an impractical burden on them. Since the act in its totality imposes that legal obligation only on employers for failure to set and adopt an employment equity plan, it is only fair this kind of responsibility rests solely with employers where the legal obligation rests.

I can conceive of one possibility, for example. In the process of the joint approach to the development of the plan the bargaining agent for the employees, for reasons not related to

the implementation of the equity plan, could stall or delay the finalization of the plan for reasons other than those related to the employment equity plan. It would delay what we would like to have happen. On that basis we have to continue to retain the prerogative of the act to give the obligation, responsibility and privilege to employers.

Briefly, again to put into context the motion before us, why is it important that we not overburden employers? In the beginning the employment equity concept in Canada started as a consequence of bias, of prejudice against employees. Those instances happened before the sixties and in the sixties the practice was recognized. Human rights legislation was enacted to potentially correct the biases and discrimination.

Those approaches proved to be insufficient and so came the second phase in the evolution of the concept, that systemic barriers exist in the system; unintended bias one may call it, systemic discrimination, but not without malice.

To solve the problem of systemic barriers it is important to get the full co–operation of employers on the business side. It is important that we do not introduce any kind of provision in the act that businesses will see as an additional burden.

Canada should be proud today that in so far as the employment equity legislation is concerned we nearly have unanimous support from the business community at large. We should thank that community for its confidence in the initiative of the government. We should continue to recognize that privilege. If we work on a co–operative and collaborative basis, we will achieve more. Canada is unique in that regard. I can sense the hon. member is now agreeing to the arguments I am proposing.

We welcome the contribution of the member, but I feel we should reject the motion for the reasons I have indicated. We need the full provisions of the employment equity law in Canada and we need to reinforce it very strongly. Now that we have extended the coverage and now that we have invoked an enforcement mechanism, the world is looking to us as a model. Contrary to an earlier amendment from the third party, we have embarked upon a new milestone, the further evolution of the concept of employment equity.

As I said earlier in the debate on another motion, the committee in its wisdom respecting employment equity made a commitment to merit. I think even Mr. Speaker is smiling at the beauty of this report.

I ask members to reject this motion.

CULTURAL PROPERTY EXPORT AND IMPORT ACT

The House resumed consideration of the motion that Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act, be read the second time and referred to a committee.

The Deputy Speaker: It being 5 p.m. the House will now proceed to the taking of the deferred division on the motion at second reading stage of Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act.

Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 342)

YEAS

Members

Adams	Alcock
Althouse	Anawak
Anderson	Assad
Assadourian	Asselin
Augustine	Axworthy (Winnipeg South Centre/Sud–Centre)
Baker	Barnes
Bélair	Bélanger
Bellehumeur	Bellemare
Bernier (Beauce)	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Bethel	Bevilacqua
Bhaduria	Blondin–Andrew
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Bryden	Caccia
Calder	Cannis
Caron	Catterall
Chrétien (Saint–Maurice)	Clancy
Cohen	Collenette
Collins	Comuzzi
Cowling	Crawford
Culbert	de Jong
DeVillers	Dhaliwal
Dromisky	Duceppe
Duhamel	Dumas
Dupuy	Easter
Eggleton	English
Fewchuk	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gagnon (Québec)
Gallaway	Gauthier
Godfrey	Godin
Goodale	Grose
Guimond	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Jacob
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Lalonde
Landry	Lastewka
Laurin	Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loney	Loubier
MacDonald	Maclaren
MacLellan (Cape/Cap Breton—The Sydneys)	Malhi
Maloney	Marchand

Marchi
McGuire
McLaughlin
McWhinney
Mercier
Milliken
Murphy
Nunez
O'Reilly
Paré
Patry
Peric
Phinney
Pillitteri
Proud
Regan
Rocheleau
Scott (Fredericton—York—Sunbury)
Shepherd
Skoke
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Torsney
Ur
Venne
Volpe
Wayne
Whelan
Young

McCormick
McKinnon
McTeague
Ménard
Mifflin
Mitchell
Murray
O'Brien
Pagtakhan
Parrish
Payne
Peterson
Pickard (Essex—Kent)
Pomerleau
Reed
Richardson
Sauvageau
Serré
Sheridan
Solomon
Steckle
Stewart (Northumberland)
Taylor
Terrana
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Verran
Wappel
Wells
Wood
Zed—168

NAYS

Members

Breitkreuz (Yellowhead)
Chatters
Duncan
Forseth
Gilmour
Grubel
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Silye
Stinson
White (Fraser Valley West/Ouest)

Bridgman
Cummins
Epp
Frazer
Grey (Beaver River)
Hanger
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud–Ouest)
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Thompson
Williams —36

PAIRED MEMBERS

Arseneault
Bakopanos
Bélisle
Bouchard
Campbell
Chrétien (Frontenac)
Dalphond–Guiral
de Savoye
Dubé
Fillion
Gerrard
Graham
Guay
Lincoln
Manley
Minna
Picard (Drummond)
Robillard
Tobin

Bachand
Beaumier
Bergeron
Brien
Canuel
Crête
Daviault
Deshaies
Dupuy
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godin
Gray (Windsor West/Ouest)
Langlois
Maheu
McLellan (Edmonton Northwest/Nord–Ouest)
Peters
Plamondon
Speller
Vanclief

• (1725)

(Bill read the second time and referred to a committee.)

[*Translation*]

OCEANS ACT

The House resumed consideration of the motion.

The Deputy Speaker: Pursuant to Standing Order 45, the House will now proceed to the recorded division on the motion.

[*English*]

Mr. Boudria: Mr. Speaker, I believe members would agree that those who voted on the previous motion, the main motion for second reading of Bill C–93, be recorded as having voted on the motion now before the House, with Liberal members voting yea.

[*Translation*]

Mr. Duceppe: Mr. Speaker, members of the Bloc Quebecois will vote against this motion.

[*English*]

Mr. Ringma: Mr. Speaker, Reform members will vote against the motion, except for those who might wish to vote otherwise.

Mr. Solomon: Mr. Speaker, New Democrats present will vote yea.

Mrs. Wayne: Mr. Speaker, I vote yea.

Mr. Bhaduria: Mr. Speaker, I will be voting for the motion.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 343*)

YEAS

Members

Adams
Althouse
Anderson
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Barnes
Bélanger
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Bryden
Calder
Catterall
Clancy
Collenette
Comuzzi
Crawford
de Jong
Dhaliwal

Alcock
Anawak
Assad
Augustine
Baker
Bélair
Bellemare
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Caccia
Cannis
Chrétien (Saint–Maurice)
Cohen
Collins
Cowling
Culbert
DeVillers
Dromisky

Duhamel
Easter
English
Finlay
Fontana
Gaffney
Gallaway
Goodale
Harb
Harvard
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
Maclaren
Malhi
Marchi
McGuire
McLaughlin
McWhinney
Milliken
Murphy
O'Brien
Pagtakhan
Patry
Peric
Phinney
Pillitteri
Reed
Richardson
Serré
Sheridan
Solomon
Steckle
Stewart (Northumberland)
Taylor
Terrana
Tobin
Ur
Verran
Wappel
Wells
Wood
Zed—137

Dupuy
Eggleton
Fewchuk
Flis
Fry
Gagliano
Godfrey
Grose
Harper (Churchill)
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
McCormick
McKinnon
McTeague
Mifflin
Mitchell
Murray
O'Reilly
Parrish
Payne
Peterson
Pickard (Essex—Kent)
Proud
Regan
Scott (Fredericton—York—Sunbury)
Shepherd
Skoke
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Torsney
Valeri
Volpe
Wayne
Whelan
Young

NAYS

Members

Asselin
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Caron
Cummins
Dumas
Epp
Frazer
Gauthier
Godin
Grubel
Hanger
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Jacob
Landry
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Marchand
Mayfield
Ménard
Meredith
Morrison
Paré
Pomerleau
Ringma
Sauvageau
Scott (Skeena)
Solberg
Thompson
Venne
Williams —67

Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Bridgman
Chatters
Duceppe
Duncan
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guimond
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
Lalonde
Laurin
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest/Sud-Ouest)
Mercier
Mills (Red Deer)
Nunez
Penson
Ramsay
Rocheleau
Schmidt
Silye
Stinson
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West/Ouest)

PAIRED MEMBERS

Arseneault
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de Savoye
Dubé
Fillion
Gerrard
Graham
Guay
Lincoln
Manley
Minna
Picard (Drummond)
Robillard
Tobin

Bachand
Beaumier
Bergeron
Brien
Canuel
Crête
Daviault
Deshaies
Dupuy
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godin
Gray (Windsor West/Ouest)
Langlois
Maheu
McLellan (Edmonton Northwest/Nord-Ouest)
Peters
Plamondon
Speller
Vanclief

[*Translation*]

The Deputy Speaker: I declare the motion carried. Accordingly, the bill is referred to the Standing Committee on Fisheries and Oceans.

(Bill referred to a committee.)

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

NUCLEAR TESTS

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, in September I asked the Minister of Foreign Affairs whether in light of the French government's decision to resume nuclear tests he would call for a boycott of products made in France. The minister replied that although he deplores France's decision to test, it is more important that next year France sign the comprehensive nuclear test ban treaty.

• (1730)

Last May in Geneva, 25 years after the nuclear non-proliferation treaty was signed, 178 nations voted to extend it and make it forever illegal for any member country beyond the original five nuclear powers to develop nuclear weapons. In return, nuclear powers would sign a permanent test ban treaty next year, a first step in dismantling their nuclear arsenals as required under the non-proliferation treaty.

While negotiations for a comprehensive nuclear test ban treaty are under way, France has embarked on a course of action that threatens to destabilize this important treaty process. When these actions are combined with a reopened debate in the United States on whether nuclear tests below 500 pounds of explosives should be allowed under the proposed treaty, you can see why non-nuclear nations are wondering whether nuclear powers are truly committed to a comprehensive nuclear test ban treaty and the eventual elimination of their nuclear arsenals.

The government of President Chirac argues that the principal reason the present tests are necessary is to provide data for developing nuclear test simulation software. I repeat: nuclear test simulation software. By contrast, in 1991 President

François Mitterrand ordered that nuclear test simulation software be developed without further tests. In addition, the American and British governments have already developed nuclear test simulation capabilities. The fact that the technology for nuclear test simulation already exists renders current tests by France unnecessary.

As we talk in this chamber, the O.J. Simpson trial and other recent murder trials command more attention than the actions taken by the French government, which threaten the comprehensive test ban treaty process and the South Pacific environment. Such actions should not just be deplored, they ought to be forcefully criticized, as the Australian and Japanese governments have done.

The Minister of Foreign Affairs ought to call in the ambassador for France and ask that the French government stop all further tests. If this is unsuccessful, Canadians can register their disapproval by simply boycotting products made in France, from wines to perfumes, from cheese to fashion, from cars to tourism.

In Sweden the voluntary actions of citizens have resulted, I am told, in an 80 per cent reduction in the sale of French wines. Canadians as consumers can express their disapproval too. It is the only weapon we have as citizens to convey our sentiments about a primitive use of power or about an action that is best described as the pornography of power.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I thank the hon. member for Davenport for reminding the public of the importance of this subject.

With respect to French nuclear testing, the Government of Canada has expressed its view on the matter in a clear and unambiguous manner. We deplore the resumption of these tests and have made our position known to France in no uncertain terms. When China resumed its tests earlier this year, we also expressed our views on that matter.

Our position is clear. We call on all nuclear weapons states to stop these tests. We call for a speedy progress toward the signature of a comprehensive test ban treaty, the CTBT, which is the best way to ensure the end of all tests for all time.

Canada's position with respect to nuclear testing is not a recent one. This is a bedrock policy that we have had since the days of former Prime Minister Trudeau when he set out the strategy calling for the suffocation of nuclear arsenals. The hon. member was here at the time and helped to develop this policy.

We are one of the few countries in the world that has the capability yet has decided as a matter of policy not to develop nuclear weapons. We have also chosen not to have any nuclear armed weapons stationed on our soil.

Having succeeded in getting the non–proliferation treaty extended for an indefinite period we are now working very hard to ensure a truly comprehensive verifiable nuclear weapon test ban, the CTBT, is signed by June 1996.

We are very heartened to learn that so far three of the five nuclear weapons states, the U.S., the U.K. and France, have come out supporting a zero option CTBT, which the hon. member will be pleased to hear. This means a treaty which will allow no nuclear explosions whatsoever.

Again I congratulate the hon. member for helping Canada develop our policy in banning all nuclear weapons from this planet.

The Deputy Speaker: The House stands adjourned until tomorrow at 2 p.m.

(The House adjourned at 5.35 p.m.)

HOUSE OF COMMONS

Wednesday, October 4, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*Translation*]

VIOLENCE ON TELEVISION

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, in Winnipeg last week I had the privilege of taking part in the CRTC's regional consultations on violence on television, violence which, I believe, has a negative impact on our children.

[*English*]

Parents need better information and better tools to ensure they can make wise decisions with respect to the kinds of programs they want their children to watch.

The industry must continue to self regulate. A standardized classification system is needed. New technology, for example the V–chip, could also be extremely helpful to parents. Media literacy for parents and children is required.

[*Translation*]

I would urge hon. members to work together to ensure that television becomes a positive tool for us and especially for our children.

* * *

ROY ROMANOW

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, Roy Romanow, who also took part in the strong–arm tactics against Quebec when the Constitution was patriated unilaterally in 1982, has stated that francophones in Saskatchewan may lose the governance of their schools if the Yes side wins in the referendum in Quebec.

Condescending and irresponsible, that kind of statement is typical of a man who would stop at nothing to impose his views.

In the past, Mr. Romanow has shown that to be the case. He has no respect for francophones or Quebec. The question now is, whether his attitude reflects the views of Canada today.

If it does, if the survival of francophones outside Quebec depends solely on the presence of Quebec within Canada, the Canadian ideal of equality in diversity has ceased to exist. If that is the case, respect for our most fundamental rights no longer exists. Too bad for Canadians who still had a dream.

* * *

[*English*]

WOOD BISON TRAIL

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I congratulate a Canadian company on a noteworthy accomplishment.

Syncrude Canada, a mining company and major contributor to the economy in Canada, has just opened a nature trail north of Fort McMurray that reflects the mining industry's commitment to Canada and our environment. In the spirit of co–operation and responsibility, the Wood Bison Trail was opened by the premier of Alberta at a ceremony attended by 4,300 spectators.

Most notable is the trail's entrance which is marked by a native carving of bison that stretches 30 feet in the air. It is called the Bison Gateway and was sculptured by the native artist Brian Clark. This monument marks Syncrude's $2 million reclamation project on a mined out area around Wood Bison Trail. As further evidence to this commitment a herd of wood bison has been reintroduced to the area after being extinct for hundreds of years.

I congratulate everyone involved in this project. It is an example of what can be accomplished when government, industry, environment and native groups work together to harvest our resource wealth and leave the area productive for future generations.

* * *

INNU COMMUNITY RELOCATION

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, yesterday I had the opportunity to meet with an

Innu delegation making representations with regard to the relocation of its community from Davis Inlet to Little Sango Pond.

The delegation informed me that on February 25, 1994 the Innu people received a statement of political commitment from the ministers of Indian affairs, health, justice, as well as the Solicitor General of Canada. Through these ministers the Government of Canada agreed to support the relocation subject to a number of conditions. The delegation has informed me that these conditions have now been met and the community is anxious for a favourable federal cabinet decision that will begin the process of its relocation.

Today I want to put on the public record that I am completely supportive of the Innu relocation to Little Sango Pond. They have satisfied the terms and conditions required and it would seem that the federal government has a clear obligation to respect its commitments as set down in February 1994.

* * *

PRIME MINISTER OF IRELAND

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, recently the Prime Minister of Ireland, Mr. John Bruton and his wife, Finola Bruton, visited Canada. Mr. Bruton, whose title in Irish is Taoiseach, visited several cities, including Ottawa.

As a Canadian member of Parliament of Irish descent, I was honoured to be invited along with several of my colleagues by our Prime Minister to meet and dine with Prime Minister Bruton.

In his excellent comments that evening Mr. Bruton praised Canada as a nation of diverse peoples who have learned to respect our differences and live together in peace.

As the people of Quebec prepare to vote in the referendum on October 30, it is the fervent hope of other Canadians that Quebecers will choose to remain a very important and cherished partner in a united Canada.

* * *

STAND UP FOR CANADA

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, tonight at the National Press Club, Canadian recording artists the True Grit Band will be making their debut performance of "Stand Up For Canada", a song celebrating Canadian unity written by Mr. Jim Chapman, a talk show host at CKSL News Radio in London, Ontario. This world premier performance will be recorded for posterity by the nation's music station MuchMusic.

It should be noted that this song was brought to the True Grit Band's attention by my patriotic colleague and percussionist, the hon. member for London East.

"Stand Up For Canada" is a creative expression of the pride possessed by Canadians from sea to sea to sea. The song is sung by the members for Madawaska—Victoria, Halton Peel and Bonavista—Trinity—Conception. Instrumentals are provided by the members for Glengarry—Prescott—Russell, Sault Ste. Marie, Lincoln, Sarnia—Lambton and yours truly from Hamilton West.

I ask all my hon. colleagues in the House to show support for our great nation and "Stand Up For Canada".

* * *

JACK GATECLIFF

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, on November 20, St. Catharines' well known sportswriter, Jack Gatecliff, will be inducted into the Hockey Hall of Fame.

Better known as the Gate, Jack Gatecliff is best known for his constant friendly smile and personable nature. He is also a hockey historian who has dedicated his life to writing about the sport.

In 1950 Jack began writing for the St. Catharines *Standard*, a five times a week column called "Through the Sports Gate". He officially retired as sports editor in 1991, more than 10,000 columns later.

His love of sports shone through in every article he wrote and he still contributes to the *Standard* on a regular basis. As a hockey player Jack played with the Junior A team in St. Catharines. As a writer he spent countless hours covering Canada's two national sports, lacrosse and hockey. For years Jack Gatecliff kept St. Catharines' sports fans up to date.

I know my colleagues in the House join me in congratulating Jack Gatecliff on his induction into the Hockey Hall of Fame.

* * *

• (1405)

[*Translation*]

LAURENT BEAUDOIN

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, in the current referendum debate, Bombardier President Laurent Beaudoin should recognize Quebec's contribution to the success of his company instead of hinting that it might leave the province if the Yes side wins.

Such comments are insulting, not only to the sovereignists but to all Quebecers who contributed to the success of Bombardier and were proud of it.

We should remember that government backing, with the support of Quebec taxpayers, was a major ingredient of that success.

I would ask Mr. Beaudoin, who heads Bombardier, a symbol of Quebec entrepreneurship, to put his talents at the service of his compatriots, whatever the outcome.

* * *

[*English*]

SWIM FOR LIFE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, sometimes one outstanding act of courage and commitment stands out and brings to prominence national issues as no spoken or written word can. Such is the case of the completion of a 20–day marathon swim by Fin Donnelly of Coquitlam who on September 24 completed a mammoth swim down the Fraser River. He completed the arduous 1,325 kilometre journey in 20 days.

Fin Donnelly's "Swim For Life" was a personal campaign to raise awareness about environmental abuse of the Fraser River and the need to protect this unique waterway. In his 20–day journey Fin kept up a gruelling pace in spite of personal and natural obstacles.

In dedicating his swim to the need to preserve our waters against pollution abuse, Fin has challenged individuals, businesses and governments that may be part of the problem to become part of the solution.

I join with my constituents in recognizing this young man's courage and commitment in preserving one of Canada's great natural resources, the Fraser River.

* * *

[*Translation*]

FRENCH LANGUAGE

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, recently the Saint–Jean Baptiste Society said that if Quebec did not start protecting the French language, francophone Quebecers would become a minority.

Language is one of the most important aspects of a culture. The richness of the French language is recognized throughout the world. For many centuries, French was spoken not only in France, but in many other countries as well. In fact, French was the language of diplomacy.

Today, in Canada, there are thousands of French immersion courses. In my riding, in Vancouver East, Hastings School offers French immersion courses. When I visited the school, I was surprised at the level of language knowledge and comprehension among sixth and seventh grade students.

I believe in a bilingual and united Canada. We must keep it that way.

S. O. 31

REFERENDUM CAMPAIGN

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, the Comité des Québecois et Québécoises pour le non has had to give in and prepare the budget for year one of an independent Quebec, having realized that, despite repeated calls for it by the general public and the business community, the Quebec separatists were still refusing to put any figure on their plans for separation.

The first year budget as presented yesterday represents a scientific update of what the leader of the Parti Quebecois had presented in 1973.

From it we learn that an independent Quebec will inherit a deficit of $15.6 billion, minimum. Quebec workers will therefore find themselves having to pay at least $3,000 in additional taxes annually.

Quebec's separatists refuse to talk about the costs of separation. We shall do it for them, since the public has a right to know. On October 30, the answer to the project for separation will be No.

* * *

REFERENDUM CAMPAIGN

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, yesterday the PQ leader found out that not all mayors concerned with the day to day administration of their municipalities will commit lightly to any project without finding out first what the costs and impacts will be.

The mayor of Montmagny, Jean–Claude Croteau, took advantage of the presence of the PQ Premier in his region to invite him to indicate in advance what the offer of partnership to be made to Canada the day after a yes vote would be.

The supporters of separation refuse to make that offer of partnership public, because they know full well that an economic and political union between an independent Quebec and Canada is impossible. The only real option they are pursuing is separation. The rest is just another example of smoke and mirrors to confuse the public.

* * *

QUEBEC–CANADA ECONOMIC UNION

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, the leaders of the federalist side would have Quebecers believe that English Canada could manage without a partnership agreement with a sovereign Quebec.

The economic reality is that Quebec is the second–ranking partner of English Canada, far ahead of Japan and Germany.

• (1410)

The economic reality is that Quebecers purchase $420 million worth of fish and other food products from the Atlantic provinces every year. That there are $850 million worth of oil and

natural gas sold to Quebec by Alberta. There is Bay Street, the financial heart of Toronto, which would lose $2.8 billion in insurance and financial services business. And there are the $1.3 billion worth of car and truck purchases from the Ontario automobile industry by Quebec.

Yet they are trying to make us believe that a partnership is not in the interests of Quebec and the rest of Canada. Really, now.

* * *

[*English*]

LIBERAL PARTY

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I would like to pay tribute to the opposition in the House. People may think I am talking about the Bloc or the Reformers. No, I am talking about the Liberals. If it looks like opposition, talks like opposition and smells like opposition, then it must be opposition.

The Liberals have pretty well abdicated leadership and have vacated the role of promoting real solutions to Canada's problems. The Reformers on the other hand are acting like government by proposing real, workable, common sense solutions.

It was the Reform Party which proposed a clear response to the Quebec referendum. The Liberals caught up about a week later. We have urged since the beginning that it is most important to set real targets on balancing the budget. We hope they will catch up soon.

The Liberals spend more time criticizing Reformers than they spend promoting their own proposed legislation because they do not seem to have any. The most significant evidence is that they are now filibustering their own bills. While the important issues of the nation go unnoticed, the Liberals are talking endlessly on the few trivial bills now before the House.

The Liberals may not be ready to govern but the Reformers are.

* * *

[*Translation*]

LEADER OF THE OPPOSITION

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, the Leader of the Opposition told journalists candidly that he is not ruling out the idea of one day being the premier of Quebec.

Is there some connection between his statement and the comments made two days ago by the PQ Premier? He repeated yesterday, for the second day in a row that he is beginning to feel the years and that he is opening the door to his successors.

Is this some new trick, a change in direction or simply a message the Leader of the Opposition is sending to militant Quebec separatists to get them to prepare for the days after the referendum? Regardless of what happens with the political career of the leader of the Bloc Quebecois, we must not lose sight of the fact that his primary objective is Quebec's separation. Our response to that will be no.

* * *

LEADER OF THE ACTION DÉMOCRATIQUE DU QUÉBEC

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the leader of the Action démocratique du Québec was in the Outaouais region yesterday. He tried to convince people that the partnership between an independent Quebec and Canada would be guaranteed the day after Quebec's separation.

The separatist leader of the ADQ justified his confidence in such an agreement by stressing that it was simply good common sense.

Earlier in the day, the separatist leader touched on the future of federal public servants in an independent Quebec and said that nobody would be dropped for a period of two years.

The people in the Outaouais have good common sense and know very well that separatist promises will bring them nothing. This is why they will vote no on October 30.

* * *

[*English*]

HOCKEY

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, nothing defines Canadians more than their love for the game of hockey and its colourful heroes who have brought so much joy to so many.

Long before words like arbitration and agent became part of the game's vocabulary, names like Bathgate, Howe, Mahovlich, Beliveau, Kelly and Richard were being claimed by runny nosed shinny players on rinks across Canada. I know because I was one of them, as were many of my colleagues in the House.

We may have lost our breakaway speed, but we will always remember the smooth stickhandling of a Jean Beliveau, the sure slapshot of Frank Mahovlich, the fierce intensity of Henri "Pocket Rocket" Richard, the clutch goal of Paul Henderson, the sharp elbows of Gordie Howe, the tenacity of Ted Lindsay, and the feared hip check of Pierre Pilote.

I am sorry Mr. Meeker, but I only remember how you taught the game on TV.

These individuals personify character, class and charisma. Most important, they made it fun for us to be kids. For that I thank these gentlemen.

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

INDUSTRY CANADA

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, now we know that to get applause from all sides of this House, you have to play hockey.

In its secret document prepared for Operation Unity, the federal Department of Industry made a list of Quebec companies, indicating subsidies they had received or will receive from Ottawa. And all for the sole purpose of urging business leaders to support the No side. By strange coincidence, yesterday senior executives of one of the companies targeted by Industry Canada, Spar Aerospace, urged employees at the plant in Sainte–Anne–de–Bellevue to vote No.

My question is directed to the Prime Minister. How can he go on claiming that Industry Canada's secret document is a routine economic report, when it actually lists the political views of top business leaders?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Canadian government has a responsibility to ensure that jobs are created in Canada and that jobs are kept. That is our responsibility. And as politicians it is very important for us to know what we are doing for businesses in Quebec, because the important thing is to keep those salaries and jobs in Quebec.

I was once Minister of Industry, Trade and Commerce, and that was quite a few years ago. When Canadair was closing its doors, which would have had a disastrous impact on Spar Industries, we managed to save Canadair. When General Dynamics was leaving Canada, as Minister of Industry I took action, and today, Canadair is the best company in Quebec. And Canadair buys services from Spar. We want those jobs to be kept. This is very important.

In fact, the workers themselves admitted as much, because when I left politics, members of the Canadair employees' union asked me to work for them, and they told me: "You are aware of our needs. When we needed you, you were there. We want you to keep working for us". I am concerned about workers' wages, about high tech jobs for Quebec and ensuring that the markets will still be there, not only in Canada but throughout the world, for the benefit of the economy and the people of Quebec, especially in the Montreal region.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I am still looking for the connection the government seems to see between job creation and examining political views of business leaders. The document we are tabling today contains an analysis, an assessment of the likelihood of influencing members of the Kruger family. That is going a bit too far and has no connection with jobs.

In the same secret document prepared by Industry Canada, we read, and I quote:

[*English*]

"The threat of cutting support for world class industrial facilities such as Pratt and Whitney, Spar Aerospace, and Canadian Marconi might bring reaction and support for the federalist cause".

[*Translation*]

How can the leader of the government keep denying that Operation Unity is actually blackmailing companies like Spar by threatening to cut off federal subsidies for research and development unless they speak out on behalf of the No side?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is the duty of the government to make sure everybody understands what this is all about. This is all about a party dedicated to destroying Canada. You do not break up a country that easily anywhere in the world.

• (1420)

Our preoccupation is very simple. We want to keep the country together. We can have industries in Quebec, we can have industries in Ontario and the rest of Canada that can compete in the world. It is our duty to tell that to Quebecers, because if they vote yes and there is a separatist government there can be no guarantee they will be able to have the same types of operations in Quebec.

The leaders of the unions can talk, but the owners of a company do not know what they talk about.

[*Translation*]

What does Mr. Beaudoin want? He wants to maintain the number of jobs Quebecers have with Bombardier in Quebec. That is his concern. He is doing this first of all for the sake of the workers, their salaries and the shareholders, and it is his responsibility to do so.

If we can help people tell workers in Quebec that they are taking a risk by voting Yes, it is our duty to tell them that, in their own interests and those of their families, they should vote to stay in the best country in the world: Canada.

[*English*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the first duty of any government, federal or otherwise, is to respect democracy, to let people enjoy their freedom of opinion.

Democracy calls for the respect of the freedom of those people, whether business people or anybody in Canada, to be free to express their opinions and not be forced to be federalists because of blackmail. It is not very noble to be federalists because we are blackmailed.

[*Translation*]

Mr. Speaker, would the Prime Minister admit that what the vice–president of Spar Aerospace told his employees yesterday is a direct result of this conscription exercise in which Ottawa is pushing business people to support the No side?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, everyone has a right to express his opinions, including heads of companies. And they have an obligation to tell their employees—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): Yes, they have an obligation to say so.

Mr. Leroux (Richmond—Wolfe): Not by using blackmail.

Mr. Chrétien (Saint–Maurice): Mr. Speaker, since when is the truth blackmail? Since when is telling people that their economic and political future is at risk blackmail?

We are telling the truth. We are not looking for trick questions with "virages and mirages". We want to tell Quebecers the truth. We have proved in Canada that we can live together, even if we do not all speak the same language or have the same colour skin. I am delighted to see the best example of what we can do in Canada in our gallery today: hockey players who worked as a team.

[*English*]

They have proven they can become the best in the world, French and English, but all of them proud Canadians.

• (1425)

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is distressing to note that the Prime Minister is prepared to use every means to ensure his truth wins, including standing behind documents that advocate blackmailing business.

The Prime Minister persists in claiming this is perfectly normal. Imagine, it is perfectly normal for Industry Canada to keep the political opinions of the heads of Quebec business on file. The Prime Minister thinks it is perfectly normal for a government document to describe ways to armtwist Quebec businesses into voting the way the Prime Minister wants them to.

When the Industry Canada document identifies the political affiliation of a number of heads of Quebec businesses, when it lists the subsidies granted them, when funding cuts to Spar, Pratt & Whitney or Canadian Marconi are threatened, how can this still be claimed to be a simple matter of economics and not a political matter for the special unit of the Prime Minister's office?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, quite frankly, the people in the Bloc Quebecois are really desperate. Two days ago we were being accused of giving Quebec nothing for research and development.

Do you recall, hon. members, Mr. Speaker?

Some hon. members: Yes.

Mr. Chrétien (Saint–Maurice): We were not doing enough. Now we are doing too much, because we told the people of Quebec that these industries developed thanks to the presence of the federal government. The federal government has been giving subsidies to these businesses for 25 years. They are not being given because of an upcoming referendum. Twenty–five years ago we developed these programs of assistance to industry, which have resulted, in certain sectors, in Quebec workers being able today to sell their products worldwide.

This is why the heads of business who succeeded, with the help of the federal government, in developing these businesses want to keep them for the benefit of people working there.

Mr. Beaudouin probably has a pretty solid bank account, but if a disaster strikes, it will not be he who suffers, it will be the the families of people working in his plants. These are the people we want to protect, rather than leap into the void in the adventure that these folks here are proposing for Quebec. Quebecers know they are living in Canada, the best country in the world, and on October 30, they will vote for Canada.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, if the Prime Minister would like to talk research and development, he should take note and acknowledge before the cameras and before this House that the document prepared by his officials confirms the figures quoted by the official opposition last week to the effect that only 17 per cent of all research and development is done in Quebec, when the figure should be much higher than that. It should be at least 30 per cent.

Indeed, Mr. Speaker, it is not desperation when we call for candour and a clear statement from the Prime Minister, an admission he should be making.

Some hon. members: Oh, Oh.

The Speaker: The question please.

Mr. Gauthier: In a democratic society such as ours, how can the Prime Minister find it normal and try to tell the House that a group of officials in the federal government's Special Operations Unit, connected with his office, is systematically violating the charter of rights and freedoms by classifying the heads of Quebec businesses according to their political affiliation?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, our request was not very complicated. We simply asked officials to tell us the truth about federal involvement in Quebec businesses.

• (1430)

It is very important for them to know, because we want people to know the truth. We did not do as the Bloc Quebecois and the Parti Quebecois did and say: "We will come up with a winning question". Not a real question, a winning question. They did not want to tell Quebecers they are separatists. The leader of the Bloc Quebecois, the Leader of the Opposition, told the Americans, because they do not understand what the word "souverainiste" means, and besides, it is not in the French dictionary—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): It is in the new Quebec dictionary which has not been approved by the Académie Française.

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): For the first year, because we silenced them a few times recently.

The leader of the Bloc Quebecois said to the Americans: "I am a separatist". But he did not have the courage to go to Lac–Saint–Jean or Trois–Rivières or Rouyn–Noranda or Montreal and say: "I am a separatist". Everyone knows I am a Canadian and that I will still be one on October 31.

* * *

[*English*]

NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question is for the Prime Minister.

Both the Canadian people and our armed forces deserve better than the culture of cover–up which has taken hold of the Department of National Defence. It seems that every day we discover new evidence of deception within the DND hierarchy. Access to information documents are forged. Police investigations are obstructed. Evidence is destroyed.

We have warned the Minister of National Defence repeatedly, yet he has adopted a hear no evil, see no evil attitude and continually expresses confidence in his senior officials. Canadians have lost confidence.

When will the Prime Minister recognize the chronic systematic failure of the leadership in the Department of National Defence?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think Canada is very well served by a very good Minister of National Defence.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Prime Minister is just like the defence minister. He is hiding behind camouflage. The failure is in leadership and it begins at the top.

The most basic principle of parliamentary democracy requires the minister to take responsibility for the decisions of his officials.

Why should we be surprised when officers in the Canadian forces chain of command begin passing the buck? This is an example set by the minister.

My question is for the Prime Minister. Who is calling the shots in the Department of National Defence? When will he appoint a minister who will take responsibility for the defence department?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in response to the hon. member, the critic for the third party, he is suggesting there have been cover–ups.

Let me just tell him, his party and the House that it was this government that commissioned the inquiry into the Somalia events and the deployment of the Canadian forces. It was this government that made all the documents, every single document related to that inquiry, open to the public. It was this government that made available and encouraged members of the Canadian forces to appear in front of the commission and to do everything they could to bring light to the commission.

This government has not just been open; it has been terribly open.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, terrible is the correct response for sure.

I remind the parliamentary secretary that external inquiries are not the question. It is the question of the internal inquiries where cover–ups, corruption and mismanagement are the daily practice at DND.

The Prime Minister knows the Canadian Armed Forces has served the country with honour. He knows that his minister has lost the respect of Canadians and has entirely lost control of his department.

Why does the Prime Minister refuse to demand the resignation of the Minister of National Defence who consistently demonstrates poor judgment and flees not only from his responsibilities but from questions in the House.

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the parliamentary secretary very eloquently explained the situation.

When we formed the government there was this problem which was created before we came into government that was causing a lot of problems. We decided to get to the bottom of it.

There were some very difficult decisions to be made. For example, when we had to decide to dismantle the airborne regiment it was not easy to do. I think it was the right decision. Now all the files are available to everybody and an inquiry has been named that will look at every document.

It is public. The press is there. How can we be more open than that? All the documents are there.

The incident in Somalia occurred before we formed the government but there was a desire by the public to get to the bottom of it and the commission will get to the bottom of it. It will make recommendations. If there is some need for changes in the way decisions are made in defence, we will change them. But so far so good.

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): Yes, yes. There is an inquiry and the minister has made available everything required by the commissioners. It is a public inquiry and we will wait for the results. After that if there is a need for changes we will make them, but first we will let the inquiry do its job.

The Speaker: I would ask colleagues to keep the questions and the answers short.

* * *

[*Translation*]

INDUSTRY CANADA

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, in the secret Industry Canada document it is stated that Oerlikon will likely adopt a federalist position in private, but that its public position will be determined by its head office instead. We also know that the Minister of Intergovernmental Affairs has recently been in touch with that company.

Can the minister assure us that neither he nor any member of his staff has used the fallout benefits from the armoured vehicle construction contracts to pressure Oerlikon to position itself on the No side, as recommended in the secret Industry Canada document?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the only communication between myself and Oerlikon has been one letter in which I forwarded to them, with General Motors' permission, a letter from GM stating that there would be discussions between the two companies to see whether it would be possible for Oerlikon to take part in the General Motors contracts.

That is all there was to it, and the allegations of the opposition are once again based on dreaming, obviously in technicolour, and without any basis in fact.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, no, the dreams were in black and white, a printed black and white document from the Department of Industry, a secret document. He might read it from time to time. It would be helpful to us if he took time off from his dreaming to read something once in a while. How can the minister explain that Ottawa continues to put off clarifying its intentions concerning the regional benefits of the contract to purchase armoured vehicles, while as long ago as March Oerlikon was being clearly identified in a secret Industry Canada document as a possible subcontractor for the tank turrets?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, once again the opposition is mixing all kinds of issues together. Oerlikon and General Motors will be discussing their plans to perhaps enable Oerlikon to obtain subcontracts from General Motors.

But to give you an idea of what is really in the Department of Industry document referred to, I will read you some excerpts. For example, in the aeronautics sector, what the "secret" Department of Industry document says is as follows: The generally stable climate and the availability of funding programs are what have been responsible for the industry's continued growth. The threat of separation might offer the companies an opportunity for out of province consolidation and restructuring.

• (1440)

That is what the document has to say about companies in the aeronautical sector. I might mention other sectors, but the conclusion is that this document states very clearly that separation will cost Quebecers dearly in all of the province's industrial sectors.

* * *

[*English*]

NATIONAL DEFENCE

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the destruction of the two videotapes by Colonel Kenward is clear evidence of a violation or an obstruction of justice.

Colonel Kenward's promotion is an exoneration of wrongdoing determined by the most senior members of our military and viewed by many as a cover–up. Clearly an external inquiry into the operation of the entire military apparatus beyond the mandate of the present hearings is justified to reassure Canadians that the integrity of our military is beyond question and functioning within the confines of law.

Will the Prime Minister authorize such a broad and all encompassing inquiry?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, with respect to the issue of promotion of the officer in question, I have to tell the hon. member and the House there is a system in place that has existed for 43 years.

That system essentially is that the chief of the defence staff is responsible for promoting officers and non-commissioned ranks up to the rank of colonel. The minister is responsible for all general officers' promotions.

The system is in place to prevent political interference. It works and it worked on this occasion. If the hon. member is suggesting that we politicize the system of promotion then I suggest he is suggesting the wrong thing. The Canadian forces would not agree. The House would not approve it and the Canadian public would be appalled.

He would be the first one to scream if this were the case and I would be there to join him.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, this is another incident of preferential treatment under the law for certain Canadians. The destruction of evidence by Colonel Kenward is clearly a violation of the law. His exoneration by military brass rather than through due process places our rule of law in disrepute.

Could the Prime Minister explain to the House why this senior military officer was promoted rather than held accountable for his actions? Why do we not all stand equal before the law?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I ask the hon. member in asking questions to make sure he has his facts correct.

I remind the House of something that came out yesterday. Had he watched the press conference by the chief of the defence staff, he may have discovered that he was not entirely correct in his question.

The senior judge in the Canadian forces, the judge advocate general, on the recommendation of the chief of the defence staff and the commander of land forces, did a special inquiry and concluded that the officer in question did nothing illegal.

With respect to being open, I have to tell the hon. member who talked about destroyed tapes that these were copies. The original tape is now answering to our question and a previous question about transparency.

In addition to all the things the Prime Minister and I mentioned, the particular tape is also available to the commission of inquiry.

[*Translation*]

INDUSTRY CANADA

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

The secret document intended for Operation Unity reveals that top executives at CAE Electronics, a subsidiary of the parent company in Toronto, strongly support federalism in private. It also indicates that they will publicly follow in the footsteps of their Bombardier and Marconi counterparts.

Can the minister, who is obviously well aware of the referendum position of potential government contractors, tell us what contract he has set aside for CAE Electronics should its executives come out publicly in favour of the No side?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the opposition is repeating—in the hope of making it come true—the allegation that there is a link between the analysis of various industrial sectors in the Industry Canada document and federal subsidies to these industries.

• (1445)

There is clearly no link between the two. What the report correctly describes is the fact that a great many Quebec industries are dependent on various federal subsidies and that if Quebec separates from the rest of Canada, many Quebec businesses will go bankrupt. That is simple. That is clear. That is transparent.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, how does the minister explain the fact that this document clearly identifies CAE Electronics as the only potential contractor in Quebec for the maintenance of the four used British submarines, which the government is about to acquire at a cost of over $1 billion?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, perhaps we should wait until we buy them before deciding who will maintain them.

* * *

[*English*]

THE ENVIRONMENT

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the Deputy Prime Minister has accused the Alberta environment minister of racism.

What he actually said was: "If there's something like the expansion of the ski hill in a national park, that's your jurisdiction, not mine. And if it's something on an Indian reserve, that

yours, not mine—if we're not going to work in the spirit of trust and co–operation we've got a major problem".

We have a major problem. When will this minister apologize to Ty Lund for her misrepresentation of his remarks?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in June Ty Lund gave an interview to Vicki Barnett of a newspaper in Alberta in which he said, and this is his quote in June in reference to the meeting that took place: "Referring to federal minister Copps, Lund said, 'Come on, lady, if you want to come to Alberta and see what's happening with Indian reserves and logging, we would have had it shut down and charged them a long time ago. Where have you been? In our last meeting with Sheila Copps—she's an interesting lady—she was giving me the gears for trying to get into a harmonization. She sput and sputtered about that one and she said to me, 'You don't look after our lands'. Lund is leading the charge which would see the province have complete responsibility for Alberta land while Ottawa would oversee national parks and Indian reserves".

Those were the comments of Mr. Lund in a newspaper interview in June.

Mr. Solberg: So what?

Mr. Mills (Red Deer): Apologize.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, those comments are absolutely true. That is the jurisdiction of the federal government. Why does she not live up to it and make sure it is abided by?

She accuses the provincial minister of saying this and exactly this: "You can have the national parks and the Indians. We want to look after all the rest". That simply is not true. He did not say that. Regardless of what comments may have been taken out of context in that news article, why will she not—

Some hon. members: Oh, oh.

Miss Grey: Mr. Speaker, I read from a transcript, not a newspaper article.

Ms. Clancy: Table it.

Miss Grey: When will the minister admit that is simply not what he said and when will she retract these remarks and get these talks back on track?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the other day the member claimed that I had misrepresented the views of Mr. Lund. Mr. Lund has never denied making the remarks at a private meeting with nine other ministers at which I heard very specifically the comments he made.

It is a sad day when the member for Beaver River gets up in the House and repeats the position of the Alberta government that the Government of Canada has no place in Alberta other than to deal with Indian reserves and national parks.

Surely the Canadian people support a national government that will establish national environmental standards and give some national leadership. Surely she understands that the point I was making to Ty Lund, when I would not cave in to his blatant threat to tell me to get out of the province, was specifically because I believe, and the Government of Canada believes, that the people of Canada expect Canadian environmental leadership.

* * *

• (1450)

[*Translation*]

INDUSTRY CANADA

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

The secret document prepared for Operation Unity shows that the federal government is set to spend $5.6 billion on the potential acquisition of defence equipment, including armoured vehicles, submarines and helicopters. According to the document, these equipment acquisition contracts could have a profound impact on Quebec businesses. The document identifies eight Quebec businesses likely to benefit economically and outlines the political views of their top executives.

How should we describe the federal government's behaviour in dangling in front of some businesses generous contracts in return for their support for the No side? Is this not pure blackmail?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, again, the opposition's allegations are totally unfounded.

Yesterday, the Leader of the Opposition made comments to the press, which were reported by Hugh Winsor and which indicate that there is absolutely nothing to support his allegations and no evidence whatsoever that any company has been subjected to pressure.

In fact, as far as the defence industry is concerned, the report points out that companies such as Expro and SNC–IT that are very dependent on federal ammunition contracts could be forced to close their doors, while the companies that now rely on support and service contracts could be compelled to move part of their operations.

I have here a whole list of excerpts from the report pointing to the main conclusion, namely, that separation would create very serious economic problems in Quebec and eliminate a great many jobs. I am willing to show the hon. member for Roberval, who requested it yesterday, the proof that the vast majority of

the industries identified in the report, the proof that Quebec's separation would be an element—

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, again, the Minister of Intergovernmental Affairs did not answer the question at all. I did not talk about defence supplies but about defence equipment. He did not say anything about that.

Here is my supplementary: As the secret document prepared in March refers to defence contracts in the next three months, how does the minister explain that they have not yet confirmed the benefits from the equipment acquisition contracts? The government is probably saving this lever to put pressure on some Quebec businesses.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, again, we gave very clear answers to those questions. Quebec receives a proportion of capital defence spending that is much higher than its percentage of the population.

Again, page after page of the document in question shows that the separation they want would hurt Quebec employees as well as investments and the various industries in Quebec. Again, the document he is quoting from is the best proof that, on October 30, Quebecers will vote No to separation to preserve the economic benefits from their association with Canada.

* * *

[*English*]

VIETNAM

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

The Vietnamese government has now scheduled a retrial of nine religious, academic and cultural leaders in Vietnam who were previously condemned to prison. Will the minister convey to the Vietnamese government that a favourable result of this judicial review will have a positive influence on relations between Canada and Vietnam?

[*Translation*]

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I would like to point out the hon. member's important contribution to the defence of rights and freedoms. I think that his question is a suggestion to the government, and we accept it as such. I hope that Vietnamese authorities will take it into account in a positive way.

• (1455)

[*English*]

CANADA PENSION PLAN

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, in a speech in 1991 the Minister for Human Resources Development worried about the concerns and anxieties of Canadians over future levels of funding for the Canada pension plan. In the past four years those concerns have not gone away, they have only gotten worse. The minister has had two years to address these concerns, but he has failed to do so.

Will the minister end the speculation and uncertainty for Canadian seniors, deliver on his promise to reform the Canada pension plan and announce here and now a specific date for reforms of the Canada pension plan?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member has been waiting since 1991, she might want to wait a few days longer.

I understand the concern of the hon. member. We all share a very deep interest in ensuring that Canadians in retirement have effective and sustainable pension programs. The government is very committed to it because it authored the major old age pension and income security programs. That is why in the last budget we underlined once again our strong commitment to maintain and strengthen those programs and to enhance them.

To prepare ourselves for that, the Minister of Finance in working with my department is preparing a paper that will outline for Canadians the choices and options we will have to face in the Canada pension plan in order to ensure that we can sustain its financing over the next years to meet the very large growth in the number of Canadians that will be retiring. We are working on that as well as we can. When the paper is right and ready we will present it, certainly to the hon. member. We will also present it to every other Canadian.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I would like to tell the minister that the Reform Party is ready to go. Just watch for October 11 next week when we will be making our announcement.

Two weeks ago the Minister of Human Resources Development stated the Canada pension plan is not in a state of collapse. However, the chief actuary in the finance department last week wrote in a letter: "The Canada pension plan fund is expected to be exhausted by the year 2015".

My question is for the Minister of Finance. When it comes to the status of the Canada pension plan, who does he believe, the HRD minister or his chief actuary?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I happen to believe the minister of HRD. I also happen to believe the chief actuary because their opinions are the same.

The chief actuary did say that if action were not taken on the Canada pension plan that major financial problems would ensue. The minister of HRD has made it very clear that the government intends to take such action. Meetings have already been held with the officials. There will be meetings with provincial finance ministers. That is where the changes have to take place.

I look forward to hearing the Reform Party's suggestions. I hope they are a little bit better than the budget it came out with last year. However it is something we work on with the provinces. The minister of HRD and I will be doing that together.

* * *

[*Translation*]

INDUSTRY CANADA

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs. On September 22 the Minister of Intergovernmental Affairs stated in this House that his government was not carrying out any studies on overlap, just analyses. A fine distinction. The secret Industry Canada document confirms the existence of factual analyses on overlap, and I quote: For further details on duplication and overlap, refer to analyses.

Now that we have confirmation that such analyses on duplication and overlap do exist, does the Minister of Intergovernmental Affairs plan to make them public before the referendum?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I shall repeat my position, because it is true; the unity group within my Department has carried out no analysis whatsoever on duplication and overlap, and has carried out no study whatsoever on duplication and overlap.

We do have a process to reduce and eliminate duplication and overlap, and this has led to the signature of a number of action plans by the first ministers. So, that is a process which does exist. I greatly regret that the present Parti Quebecois government has refused to help us eliminate duplication. But the truth is: no studies of that type have been carried out for us.

• (1500)

[*English*]

SAUGEEN FIRST NATION

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, yesterday the chief of the Saugeen First Nation signed a declaration claiming authority over 300 kilometres of shoreline up to 11 kilometres out into the water around Bruce Peninsula.

Chief Kahgee claimed sovereign status under international law. The chief said he will start today to implement fishing season quotas, issue commercial and sports licences, and analyse resources. The department of Indian affairs has known about this for over three years.

Can the minister tell the House his plans to prevent this subversion of the legitimate authority of the Government of Canada?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, if a claim has been issued it has not come to my desk. Anyone can issue a claim in Canada. If it is by writ, it winds up with the Minister of Justice. If it is a claim, the member knows there is a process, and if it is a legitimate grievance then it is negotiated.

In 1993 in the Nadjiwon case the Ontario provincial court found that the Saugeen Ojibway have a right of access to and use of their traditional fishing ground around the Bruce Peninsula. The provincial court did not find a right of ownership. If there is an issue there, I am sure in due course it will be decided by a court.

I think the hon. member is doing a disservice to a court system and a claim system we have in Canada that provides for due process and not political brownie points.

The Speaker: This will bring to close the question period.

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PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of hon. members to the presence in the gallery of His Royal Highness Price Saud Al–Faisal Al Saud, Minister of Foreign Affairs of the Kingdom of Saudi Arabia.

Some hon. members: Hear, hear.

The Speaker: Notwithstanding Standing Order 31 a little earlier, some 16 months ago I started an initiative to recognize our distinguished citizens in Canada. To that end, I have invited some men who have in part given us our identity as a nation. There are very few of us in the Chamber who have not at one time wished that we could put on these people's shoes and do what they do. They are among our most talented Canadians.

An hon. member: Skates.

The Speaker: No, their shoes too.

Because I want to applaud them as you will, I ask you please not to applaud until I call them by name. I want them to stand and remain standing. When they are all standing we want to give them the kind of recognition they deserve for the great service they have done for our nation.

I call on Mr. Andy Bathgate, Mr. Jean Béliveau, Mr. Paul Henderson, Mr. Gordie Howe, Mr. Red Kelly, Mr. Ted Lindsay, Mr. Frank Mahovlich, Mr. Howie Meeker, Mr. Pierre Pilote, Mr. Henri Richard.

Some hon. members: Hear, hear.

• (1505)

The Speaker: My colleagues, in your name I have invited our guests to be in the reading room. I invite you to a small reception where you may meet them. I know you will want their autographs and will want to take pictures. That will be in the reading room after question period.

* * *

POINTS OF ORDER

TABLING OF DOCUMENT

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this arises out of question period. I would like to table, for the House's information and for the Deputy Prime Minister and Minister of the Environment, the transcript of the actual meeting and the actual remarks made in that meeting by the Hon. Ty Lund, Minister of the Environment for Alberta.

The Speaker: The tabling of any document demands the unanimous consent of the House. Is there unanimous consent?

Some hon. members: Yes.

Some hon. members: No.

The Speaker: There is not unanimous consent.

Miss Grey: Mr. Speaker, I just thought that if an actual document was quoted from in question period I was duty bound to table it, which was what I was trying to do.

The Speaker: That is not the case.

BILL S-9

Mr. George S. Baker (Gander—Grand Falls, Lib.): Mr. Speaker, I rise on a point of order relating to a finance committee meeting I attended yesterday, an excellent committee, as I am reminded. This committee dealt with Bill S-9, a Senate bill referred to the committee and on which we heard evidence.

During the evidence in the committee meeting it became clear that the bill imposes expenditures on the Government of Canada. The amount of money involved per year, as was pointed out in the committee and which evidence I could lay before you, Mr. Speaker, involves perhaps hundreds of millions of dollars. It was part of budgetary provisions dating back to 1992, budget papers from 1992 and 1993. A provision of the bill also is retroactive to November 10, 1988, which requires an expenditure of public funds.

Mr. Speaker, I refer you to two decisions made in this Chamber and contained in the books of Speaker Lamoureux, which are truly the decisions that mark the difference between the powers of the Commons and the powers of the Senate. I do not have the decisions of Justice Lamoureux before me, but one of them is on page 174 and the other 175.

The decision on page 174 was made on November 12, 1969 when the Senate approved a bill for the dissolution of the Dominion Coal Corporation at that time. An MP by the name of Baldwin stood in the Chamber and objected that this involved an expenditure of public funds.

The Speaker at the time set aside a period in which he heard arguments as to whether it was an expenditure of public funds. After listening to the arguments he said no, this bill must come in as per Standing Order 62 at that time, which is Standing Order 79(1) today, which is that royal recommendation is required for any expenditure of public money.

The second decision was made on June 12, 1972, again by Speaker Lamoureux. It was the same instance where a government bill came through the Senate. An objection was launched at that time that although the bill did not involve an immediate expenditure of public funds, it committed the government to an expenditure in the future.

• (1510)

The ruling at that time was that yes, according to Standing Order 63, presently Standing Order 80(1) under Beauchesne's sixth edition, if a bill involves an expenditure of money then it cannot be brought in through the Senate.

My objection is according to Standing order 79(1), which says quite clearly that it is the crown that demands, the Commons that grants and the Senate that accedes to that grant, it is the prerogative of the House of Commons, not the Senate, and it must be done with royal recommendation by the executive, by the crown. It cannot be done through the Senate. Standing Order 80(1) states quite clearly that the Senate's only role is to accede to such a request. It cannot even amend such a request.

The evidence is quite clear that on the one hand the expenditure of public money involved is that it reduces by 50 per cent the tax on any profits made by U.S. multinationals in Canada. That is the expenditure, approximately $130 million to $135 million per year. This is supported, incidentally, by the Reform Party and the Bloc wholeheartedly.

The expenditure involves in the last clause of the bill a retroactive provision in the case of payments that involve the payment by the Government of Canada of a tax credit for anybody who was subjected to the estate tax in the United States. If people who had property of over $600,000 in the U.S. are subjected to the estate tax, Canada will provide a tax credit to offset that on their foreign based income. That is dated back to November 10, 1988, which would impose an immediate expenditure on the Government of Canada. The rest of it would impose an expenditure, a loss in tax expenditures for all time to come.

Mr. Speaker, it is not that the bill would be defeated by your ruling, because all of the political parties in this Chamber support the bill. I am saying this violates the privileges of the Canadian House of Commons as seen in precedent and as seen in our standing orders. This should come back and be presented in the correct manner.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, with great respect to the hon. member's very able argument, I think he has misconstrued the point in Standing Orders 79 and 80 of the House of Commons.

Standing order 79(1) reads:

> This House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose that has not been first recommended to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

He is quite correct in stating that is the case.

Bill S–9, an act to amend the Canada–U.S. tax convention, is not a bill for appropriating any part of the public revenue or for any tax or impost. What it does is change the effect of the taxation laws of Canada through the application of various rules under this tax convention, which may result in the refund of revenues already received by the Government of Canada. This is not an expenditure of government funds; this is a refund of money that was collected from Canadian citizens pursuant to the tax laws of Canada, which are being amended by this tax convention because similar moneys were taken from these persons as a result of the application of the tax laws of the United States.

Everyone in the House is aware that tax conventions exist for the purpose of avoiding double taxation on the citizens of the two countries involved in the convention.

The hon. member has misconstrued the repayment of tax revenues already received as appropriations of public money. That was not the intention either of the standing order or of the constitutional practice in this regard. In support of that submission I refer Your Honour to citation 599 of Beauchesne's sixth edition:

> If any motion, whether in the House or in a committee, requires, but fails to receive, the recommendation of the Crown, it is the duty of the Speaker to announce that no question can be proposed upon the motion, or declare the bill out of order, or to say that the problem may be rectified by the proposer obtaining a Royal Recommendation.

• (1515)

I do not disagree with that. Citation 600 states:

> The principle that the sanction of the Crown must be given to every grant of money drawn for the public revenue applies equally to the taxation levied to provide that revenue.

In other words, a royal recommendation is required on a bill to impose a tax on the subject—and this bill does not; there is no dispute on that—and any bill to authorize the expenditure of public funds.

There is no expenditure authorized. What is authorized here is different. It is a refund of taxation which has been taken from the subject that is being changed by virtue of the application of the tax treaty. The tax treaty was ratified in the other place in the form of this bill which has been sent to the House for concurrence and the committee was very properly studying concurrence in the bill.

In my experience, and I have watched this kind of procedure for some time, tax conventions are almost invariably introduced as bills in the other place. Many of those tax conventions as a result of their passage involve repayment of money to Canadian citizens. In my experience there has not been a royal recommendation attached to any of those bills. There could not have been, or they would not have been introduced in the other place first.

They are introduced there because it is permissible to introduce technical bills of that kind in the Senate, the ones that do not require royal recommendation. That has been done in this case. In my experience it has been the invariable practice with respect to tax convention implementation legislation. I submit there is nothing irregular in this procedure. The hon. member has simply misconstrued the notion of refund of taxation as an expenditure of public funds. I submit they are not the same.

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, I rise on the same point of order.

The hon. member for Gander—Grand Falls referred to Standing Order 80 which would preclude a Senate bill coming to the finance committee if it dealt with aids and supplies. This is not an aid or supply.

As the hon. parliamentary secretary has indicated, it has been the custom of the House for as long as I can recall to have tax treaty amendments of which there have been probably 70 or 80 in the past decade and a half originate in the Senate. I commend the Senate for the excellent job it has done in dealing with these very complicated and detailed pieces of legislation. It is not an

area where those who have not done a lot of work and a lot of study are really capable of assessing the implications.

I concur with the hon. parliamentary secretary. This is not an aid or supply. This has been our tradition. It has worked very well. This is an excellent piece of legislation, supported by all members of the House.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I rise on behalf of the New Democratic Party on this point of order.

The New Democratic Party agrees with the hon. member for Gander—Grand Falls who raised the matter of Bill S–9 being a bill that will cause a great deal of expenditure from the treasury to people retroactively, in particular to people who have a great deal of wealth to start with.

There is an assumption that the New Democratic Party supports Bill S–9. I make it perfectly clear that the bill is an unfair bill for taxpayers. The New Democratic Party does not support it. I support the contention of the hon. member for Gander—Grand Falls with respect to having the bill reviewed by Your Honour to see if it is in order.

• (1520)

Mr. John Nunziata (York South—Weston, Lib.): Mr. Speaker, I rise on the same point of order. I have a letter in front of me from the Minister of Finance in which he refers to the subject matter my friend from Gander—Grand Falls raised as a cost presumably to the taxpayers of Canada. He pegs that cost at $125 million for 1995–96 and $145 million for 1996–97.

We are not dealing with petty cash here. We are dealing with a significant amount of taxpayers' dollars. What ordinary Canadians want to know is if it is such an important piece of legislation, why is it coming via the unelected Senate of Canada? Since when does an unelected group of men and women down the hall from this elected Chamber introduce legislation that will have the result of withdrawing from the public purse $125 million this year and $145 million next year?

Surely that moral and legal right ought to be that of the government of the day. It is the government that should be setting public policy, not unelected senators.

I lend my support to the member who raised this point. If it is the government's wish, and I understand the government is supporting this initiative, why bring in the back door what they do not have the courage to bring in through the front door?

Let us have an honest debate in the House of Commons. Let us have them introduce it as a government bill. Let us debate it at second reading. Let us send it to the committee. Let us have the courage as elected people to call a spade a spade.

The minister refers to it as a cost in his letter. It must be a cost because it will cost you and I and every other taxpayer close to $300 million over the next two years.

The Speaker: As a general rule I do not want to get into a debate on a point of order. The parliamentary secretary has spoken once. I appreciate the interventions that have taken place.

This is a very important point of order that has come before the House. I wonder if members would give me a day or two to do the research on my own, to have a look at it. Then I will come back to the House at that time with a decision and we will see where we are going from there. I would prefer to do that.

Mr. Milliken: Mr. Speaker, I want to answer the allegations made by the hon. member for York South—Weston. Not that I am seeking to defend the other place in my comments, but it is very important that he recognize this is a government bill.

The bill was introduced by the government in the other place. It is sponsored in the House by the Minister of Finance. It was debated at second reading in the House, referred to committee and will be debated at third reading in the House. It is a government bill. It is going through the same process that every other government bill goes through in the House.

The Speaker: I thank all hon. members for their interventions. I will apprise myself of the situation. If members will give me time to look at it, I will come back to the House with a decision.

ROUTINE PROCEEDINGS

• (1525)

[*English*]

COMMITTEES OF THE HOUSE

FINANCE

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, it gives me great pleasure to table before the House the 18th report of the House of Commons Standing Committee on Finance.

The report deals with Bill C–9, the bill just mentioned in the House. It was passed unanimously by the committee yesterday.

I thank members of all parties who were there and who assisted us so diligently in our work.

JUSTICE AND LEGAL AFFAIRS

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 10th report of the Standing Committee on Justice and Legal Affairs, being the first report of the subcommittee on national security.

Pursuant to Standing Order 108(2) the committee has agreed to the first report of the subcommittee on national security on the subject of document and personnel security.

Pursuant to Standing Order 109 the committee requests a comprehensive response to the report within 150 days.

INDUSTRY

Mr. John Godfrey (Don Valley West, Lib.): Mr. Speaker, I have the honour to present the eighth report of the Standing Committee on Industry.

The report relates to the Canadian Tourism Commission and follows on discussions the committee held with commission officials in March of this year.

The Canadian Tourism Commission was created by order in council in January 1995 and has recently submitted to the industry committee its charter and 1995–96 business plan.

The committee intends to continue monitoring the commission's progress over the coming months.

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 88th report of the Standing Committee on Procedure and House Affairs in relation to the committee's consideration of the objections filed in accordance with the Electoral Boundaries Readjustment Act. The committee respectfully requests that the deadline be extended to November 30, 1995.

If the House gives its consent I would move that the 88th report of the Standing Committee on Procedure and House Affairs be concurred in.

(Motion agreed to.)

* * *

PETITIONS

VIOLENCE

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, the petitioners believe that violence and abuse in society need to be reduced, in fact if possible to be eliminated. They also believe that they affect young children in a very negative kind of way and do not see any need for violence and abuse to inform, educate or entertain.

I had the honour just over a week ago to address the CRTC hearings on this very topic and again today in the House. I am pleased to support the petition.

LAND MINES

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, it is an honour for me to present a petition to the House that has been signed by hundreds of Canadians and continues to be circulated across the country.

The petitioners understand that more than 100 million anti–personnel land mines are laid around the world and indiscriminately kill or maim between 1,000 and 2,000 men, women and children every month. They understand that land mines impoverish communities by denying access to land and impede social and economic post–conflict reconstruction.

Therefore they petition Parliament to legislate the prohibition in Canada of the use, production, stockpiling, sale, trade and transfer of all anti–personnel land mines; to work for an international convention banning these activities; and to ask the Canadian government to increase its contributions to the United Nations for assistance in land mine clearance and for programs that would rehabilitate mine victims.

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating across Canada. The petition has been signed by a number of Canadians from Surrey and Langley, B.C.

• (1530)

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill, or the aged.

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill, or the aged.

VIETNAM

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, I have the honour to present a petition signed by 405 Canadian citizens of Vietnamese origin. They pray for the intervention of Parliament to help in securing the release of religious, cultural and academic leaders now under detention, arrest or imprisonment in Vietnam.

HUMAN RIGHTS

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, I have the honour to present a petition signed by over 150 Canadians from my riding in Rosedale and from as far away as Vancouver. They call upon Parliament to create an environment of justice and equality in Canada by amending the human rights act to prohibit discrimination based on sexual orientation.

STUDENT ASSOCIATION FEES

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I have the privilege to present two petitions today.

The first is from students who draw to the attention of the House that professional organization and union dues are obligatory and are therefore deductible under the Income Tax Act whereas the student association fees they are required to pay are not deductible. They call upon Parliament to amend the Income

Tax Act to allow students to deduct their fees as other professionals do from their employment income.

HUMAN RIGHTS

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, the second petition is signed by over 400 people. They remind Parliament that discrimination which occurs daily against lesbian, gay and bisexual Canadians is unacceptable in a country known for its commitment to human rights and equality. They call upon Parliament to act quickly to amend the human rights act to prohibit discrimination on the basis of sexual orientation and to recognize the equality of same sex relationships.

POLLUTION PROGRAMS

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, I have three separate petitions to present today.

The first is from 57 petitioners who request that Parliament institute complete recycling, waste reduction, energy and resource conservation, clean up and zero pollution programs.

UNEMPLOYMENT

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, the second petition is from 220 signatories from Ontario and Quebec. They request that Parliament legislate a more effective, productive and cost efficient method of unemployment relief, a policy of paying from these funds three million people $1,200 per year to work at entry level positions in understaffed public and private institutions.

THE ECONOMY

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, the third petition has 34 signatories who call upon Parliament to redesign, restructure, reorganize or replace ineffective government structures and systems if needed in order to address the poor state of our national economic, social and environmental health in a timely and cost efficient manner.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all Notices of Motion for the Production of Papers be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

The House resumed from October 3 consideration of Bill C–64, an act respecting employment equity, as reported (with amendments) from the committee; and of Motion No. 7.

Mr. McClelland: Mr. Speaker, after consultation with the Liberals, the Bloc and the New Democratic Party yesterday, we agreed and would seek unanimous agreement to amend clause 25 which will be debated as part of group 5, with an amendment already given to—

The Deputy Speaker: Will the member please excuse the Chair. The member probably thought the debate was over yesterday. Other speakers wish to speak. We will have to deal with his point when the other speakers are finished on the earlier group of motions.

• (1535)

[*Translation*]

Mr. Ménard: Mr. Speaker, when we left off, you were about to put the question on the last motion that had been debated, which happened to be mine. Do you still intend to do that or are we proceeding with a new group of motions?

The Deputy Speaker: To assist the hon. member, we are still on group No. 4. I believe he already spoke to this group of motions, if I remember correctly. Does the hon. member wish to speak again to this question? If he does, we will need the unanimous consent of the House.

Mr. Ménard: When the debate was adjourned, you were about to put the question on Motion No. 7, which happens to be mine. If there are still members who wish to speak to this motion, I would be glad to listen to them. I was just wondering when the vote would be.

The Deputy Speaker: As I said before, there are no members who wish to speak, so we will have the vote later on.

[*English*]

Ms. Skoke: Mr. Speaker, I rise on a point of order.

I understand the hon. member was first on the speaking order and that I would speak second, if that pleases Your Honour.

The Deputy Speaker: The Chair was given a list of three people wishing to speak. The hon. member for Central Nova was the first on the list. Does she wish to cede her place to the hon. member for Rosedale?

Ms. Skoke: Yes.

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, I thank the hon. member for Central Nova for ceding her place to enable me to attend to other business later this afternoon.

Equal access to job opportunities is a principle Canadians adopted several years ago. Other nations think highly of us because we do more than pay lip service to equality. We take proactive steps to make equality a reality in the everyday lives of our citizens.

[*Translation*]

Bill C–64 will do much to expand opportunities for genuine equality in the workplace for women, aboriginal peoples, persons with disabilities and members of visible minorities.

It is our responsibility to ensure that this legislation achieves this important goal whenever possible.

That is why, like many of my colleagues who spoke earlier, I have a serious problem with Motion No. 7 introduced by the hon. member for Hochelaga—Maisonneuve.

[*English*]

The hon. member's motion takes the need for co–operation in implementing the Employment Equity Act to an extreme that I do not believe would achieve the desired result. The government's perspective is to do what is necessary to implement and administer Bill C–64 in the most productive way possible but responsibility for implementation administration must remain with employers. They are the ones who ultimately have to answer to the commission if they fail to meet their responsibilities.

Let us consider what would happen if we adopted the hon. member's motion and moved from the bill's current requirements for collaboration between employers and employees to what might be called a co–management arrangement. For one thing, it would reduce the bill's requirement for consultation. The hon. member's motion if adopted would mean that there is no longer any need to consult regarding implementation or revision of employment equity plans.

Bill C–64 as it presently stands allows the commission or a tribunal to order consultation. I find it surprising that the hon. member who is seeking to enrich and improve the bill would want to delete provisions regarding consultations and replace them with weaker provisions that would not be subject to a direction or order. I would ask him and the party he represents to reconsider the bill from that perspective. It seems to me and to the government that the amendment as proposed actually weakens rather than strengthens the bill, contrary to the avowed intent of the hon. member.

• (1540)

Another Canadian characteristic that makes us the envy of others is our willingness to work together for the collective good of all our citizens. Voluntary collaboration and co–operation are innate qualities of being Canadian. I know many of us in the House seek and strive to enshrine those principles in all the work we do. I have every confidence that management and labour will collaborate to ensure the most effective implementation of employment equity plans. Why should they not? It surely is to the advantage of both.

It is in creating plans and legislation of this kind that one achieves an appropriate balance between the needs of labour and the needs of management. In doing so we have created a labour–management relations atmosphere which is beneficial to both parties. That is what we seek to achieve in this bill.

As my colleagues before me have said, we have already deliberated over the Bloc's concerns in committee. The government feels that having given these concerns due consideration, we are satisfied with the way the provisions now stand.

I remind the hon. member that the Employment Equity Act is designed to help move us closer to true equality in the workplace. It is not designed to change other aspects of employer–employee relationships. However, that would be the unfortunate result if we adopted the hon. member's motion.

The way the bill now stands, collaboration is a requirement. The ultimate responsibility for making decisions however lies with employers and that is the way it should be. There is a difference between the requirement for collaboration and discussion and the ultimate responsibility for the decision which surely must be taken by employers who have both the financial and managerial responsibility for ensuring that those decisions are properly carried out.

Hon. members know from their own experiences that we put much more effort into something when the effort is willingly given and not obtained through coercion. One cannot legislate co–operation and a positive attitude. We have seen that in the workplace and we are trying to strive to avoid confrontational situations in the workplace.

Positive co–operation comes about because the parties involved bring the right attitude to the task at hand. That is what the current provisions in the bill will achieve. They will create an atmosphere within which collaboration, co–operation and discussion will take place.

They will not seek however to create what the member's amendment seeks to create which is a sort of co–management regime that would by its very nature lead to strife between those on the management side with their responsibilities and those on the labour side with their responsibilities. It would totally confuse the two roles which both parties properly play in the workplace and would substitute, instead of this atmosphere of co–operation and collaboration, an atmosphere of mistrust between the two parties between which it is very important to establish good working relationships.

[*Translation*]

I wish to thank the hon. member for his contribution to this debate. Unfortunately, for the reasons I just mentioned, I cannot support Motion No. 7.

[*English*]

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, it is my privilege to address this honourable House today with respect to Motion No. 7 brought forward by the hon. member for Hochelaga—Maisonneuve.

The government appreciates the hon. member's input into Bill C–64. However, we are concerned that his motion would have an effect that would not be beneficial to the administration of the Employment Equity Act. The way the motion reads, if it were to be adopted, it would in essence establish an employer–employee co–management arrangement under the act.

Members of the Bloc raised this issue in committee and the government was responsive and flexible in giving it due consideration. However, if we adopted the motion before us it might very well have negative ramifications in the way employment equity is administered. Responsibility must be clear in this regard.

• (1545)

Nevertheless I hasten to add that the intent of the legislation before us is not to create situations where management is imposing employment equity on workers without their input. This is not the intent at all. On the contrary, the current act encourages and requires productive consultations between employer and employee representatives. As I said previously, the government appreciates constructive suggestions. That is why we listened and accepted recommendations made in committee.

The effect of those recommendations is that Bill C–64 now requires collaboration between employer and employee representatives when preparing, implementing and revising employment equity plans.

However, the key aspect of this arrangement is collaboration, not co–management. The responsibility for making final decisions must remain with employers. After all, they are the ones who must answer to the commission regarding implementation of the act. Hon. members will agree that the person who is held responsible for an action must retain the ability to make final decisions.

The government is trying to send a clear message here. For employment equity to be fair and effective, a co–operative effort in implementing its principles is required by both management and labour. The emphasis is very much the same, emphasis the government takes in its own relationships with other governments, the private sector, community organizations and so on. I am referring to the concept of partnership, a productive effort by all concerned to reach the same goal. That is exactly what came through in committee regarding the issue: collaboration, yes; co–management, no.

I remind the hon. member that adoption of his motion is not as simple as he may think. It would have widespread implications because the act does not have a provision which allows a tribunal to issue orders against a bargaining agent. In other words, collaboration requires just that, the two parties work together to reach a common goal voluntarily. Enforced collaboration is an oxymoron and experience shows that it makes for unproductive relationships.

Management must have final responsibility for its obligations under Bill C–64. It is management that must answer to the commission if it fails to meet its obligations under the act. It is unacceptable to adopt a situation wherein the employer is held responsible but does not have the ultimate authority to address that responsibility.

The government does not wish Bill C–64 to alter the framework of labour relations in a fundamental manner. That is not the purpose of the legislation before the House. Its purpose is to help move Canada toward true equality in the workplace. This is a step of which all Canadians should be very proud. Passage of Bill C–64 will enshrine in law the principle of equality for all Canadians. It will help to lay down a level playing field for those in the designated groups, specifically women, aboriginal people, persons with disabilities and members of visible minorities.

Bill C–64 also fulfils the government's pre–election commitment to strengthen the existing Employment Equity Act by extending coverage to virtually the entire public service. I believe hon. colleagues should also agree that fairness dictates that all Canadians have due access to employment opportunities. Therefore we must implement this legislation in a manner that will encourage co–operation and goodwill on the part of both employers and employees.

We thank the hon. member for his input. However, the government is satisfied with the bill's emphasis on collaboration. We are not prepared to move toward co–management. For that reason I cannot support the member's Motion No. 7.

• (1550)

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I am glad to rise during debate to discuss Motion No. 7.

The hon. member for Hochelaga—Maisonneuve and his colleagues have made some eloquent points on behalf of this amendment, both here and previously in committee. That is the reason the government has already amended the original bill. That amendment made sense. To accept this amendment does not.

I want to take a few minutes to underline some of the essential elements in the government's approach to government equity to show why I will not be able to vote for this motion.

Two years ago at this very moment, almost every one of us was engaged in one of the most important federal election campaigns of our time. I was proud to campaign under the banner of a party and a leader with a clear plan. Our red book was a blueprint for action. It was no wish list. It was based on years of listening to Canadians and an active policy development process. It was a comprehensive approach grounded in a realistic perspective on what government can do.

As we well know by now, one of the commitments we made was to strengthen the Employment Equity Act. The old government had the information. It knew what needed to happen but it chose not to act. We said that it was time to move on this issue and we have with Bill C–64.

The red book was more than just a series of individual commitments. It was based on a sense of how Canada works best. Part of that was our understanding that business and government are not adversaries. We need each other. Canada needs a strong business community. We need an attractive business climate. A government that operates in an intelligent and strategic way fosters that kind of community in that kind of climate.

In essence we let business people do their work without reasonable interference from government and we look for ways to build productive partnerships. That has been our approach to employment equity. We know that voluntary efforts at equity simply have not worked, therefore legislation is needed but not heavy handed approaches.

Many of my colleagues have spoken of the willingness of the federally regulated business community to work with us on equity. I need not repeat the points they have made. One basic reason they are doing so is that we have adopted a human resource planning model for this legislation. We have designed this process to maximize co–operation. We also designed the process to maximize co–operation in the workplace.

Unions most certainly do have a place in this process. Unions do care. The labour organizations that made presentations to the committee stressed their commitment to social justice. We understand their contribution to workplace attitudes toward equity programs. We appreciate their concerns about making employment equity work well, given issues such as seniority rights.

For all those reasons, government members on the committee decided to amend the bill, to underline the requirement for consultation with bargaining agents. The government understood the need to ensure that consultation was real and the bill, as it has come to us from committee, requires collaborations.

This is an important step. To go further is to make a mistake. To require employers to share authority with unions in some kind of co–management regime is to blur accountability. At the end of the day employers in law and in fact are responsible to the government for their achievements in employment equity. Unions are not.

The plan we offered to Canadians in 1993 did not envision the federal government shaking up the framework of federal labour relations. We believe that businesses understand the approach we have laid out for employment equity. We also believe they understand that getting unions on side makes sense in a human resources planning model. We believe that they will pursue collaboration in the spirit that is set out in this bill as it is before us now.

However, the government sees no need to force a process on employers that may simply not work for any number of local reasons. We hope they will take on partnerships for employment equity but we will let them decided based on their own situations. I have a great deal of faith that the businesses and federal government employers covered by this legislation will see as we do. They will capitalize on this opportunity to break down the barriers that may deny them the best from their workers or those who could be. I think they will do the right thing and they will do it in the way that works best.

• (1555)

The bill has already moved to underline the need for collaboration. It retains the emphasis on employer accountability. That is the right balance. It is the approach I will continue to support.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 7. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: A recorded division on the motion stands deferred.

[*English*]

Group No. 5, the hon. member for Edmonton Southwest, on a point of order.

Mr. McClelland: Mr. Speaker, after consultation with Liberal members, the Bloc and the New Democratic Party, I would ask for unanimous consent to amend my motion. The amendment has been put together in consultation with the government and will improve my motion.

The table officers are already in possession of the amendment, so we would ask unanimous consent at this time to replace the motion.

The Speaker: Is there unanimous consent to accept the amendment?

Some hon. members: Agreed.

Mr. Ian McClelland (Edmonton Southwest, Ref.) moved, by unanimous consent:

That Bill C–64, in clause 25, be amended by adding after line 30, on page 18, the following:

"1.1 Where

(a) an employer has been informed of a non–compliance by a compliance officer under subsection (1) and the finding of non–compliance is based, in whole or in part, on the apparent under–representation of the aboriginal peoples, members of visible minorities or persons with disabilities in the employer's work force, as reflected in the employer's work force analysis conducted pursuant to paragraph 9(1)(a), and

(b) the employer believes that the apparent under–representation is attributable to the decision of employees who may be members of the designated groups concerned not to identify themselves as such or not to agree to be identified by the employer under subsection 9(2), the employer may inform the compliance officer of such.

(1.2) Where the employer satisfies the compliance officer that the finding of non–compliance is attributable, in whole or in part, to the reason described in paragraph (1.1)(b) and that the employer has made all reasonable efforts to implement the employment equity, the compliance officer shall take the reason into account in exercising any powers under this section.

(1.3) In satisfying the compliance officer under subsection (1.2) that the finding of non–compliance is attributable, in whole or in part, to the reason mentioned in paragraph (1.1)(b), the employer must do so by means other than the identification of individual employees in its work force that the employer believes are members of designated groups who have not identified themselves as such, or agreed to be identified by the employer as such, under subsection 9(2)."

He said: Mr. Speaker, those thousands of Canadians watching this on television have just seen that we really do earn our keep from time to time.

The amendment speaks to the fact we live in the land of employment equity or affirmative action. Because this is the first time today in which we are going to be speaking to Bill C–64, I should bring to the attention of those hundreds of thousands of Canadians glued to their television sets wondering what is going on that this bill is the affirmative action or employment equity bill.

• (1600)

Employment equity is a phrase coined by Judge Abella about 15 years ago to describe affirmative action because there were people who felt that affirmative action really did not find a lot of popularity in the land. So we are living with employment equity.

Bill C–64 would expand the notion of affirmative action in the federal workforce to everyone covered by the Treasury Board and to any company in the private sector doing business with the Government of Canada with 100 employees or more.

On the face of it, who would argue with the notion of affirmative action or employment equity—except that employment or any advantage or anything in our society based on race or on quotas is inherently discriminatory.

One of the very first articles in the Canadian Charter of Rights and Freedoms speaks to the notion of all Canadians being equal. Then the next paragraph says except those Canadians who are in specific designated groups and these Canadians may be assisted at the expense of the equality of everyone by special advantages. If that were not in the charter this amendment would certainly not see the light of day, because it would be against the Canadian Charter of Rights and Freedoms.

That is the kind of anomaly we have to understand and somehow work around. Here we have the Canadian Charter of Rights and Freedoms which says this kind of discrimination should not exist in our land, and then we say we will allow this kind of discrimination. The net result is that we have affirmative action laws. We have a system whereby people are able to gain promotion or gain employment or advantages of some description based on a quota.

As members know, today we are speaking to the amendments. We are supposed to be keeping our comments closely related to the amendment before us. The amendment I am speaking to relates to the responsibilities of the compliance officer.

We are now living in a country that is under the rule of employment equity or affirmative action. That means that certain employers, including the federal government, and certainly all of the private sector employers who have 100 employees or more, will wake up one day to a knock on the door.

The knock on the door will be from the compliance officer who is representing the federal government. The compliance officer will have significant powers to be able to delve into the affairs of the company to see if the employer is in compliance with the legislation, and the employer must prove it.

This is where race questions come in on the forthcoming census. This is why the questions about race have to be asked. The compliance officer will say that according to the last census, in a certain geographic area there are a certain number of green people, a certain number of yellow people, a certain number of people who speak this language and that language, and therefore the employer must employ people in the same proportion as the people in that community and they will be given quotas.

The employer will say that normally they hire the best people; it does not matter who they are or what their education is, what their sex is, they are hired on merit. The compliance officer will say they will have to take affirmative action into the mix, that they cannot just hire on merit any more, they have to look at both of the equations. Then the employer says come in and have a look around and see what we have.

Let us say that in a room there are 20 people working, and every one of them is from a visible minority or from some other designated group. The compliance officer looks at his list and says it says on the sheet that they do not have anybody who self–identifies as one of the disadvantaged groups. If you look around, my God, everybody in the place is in the designated group.

• (1605)

The problem is that we Canadians do not get up in the morning and ask what part of what victim group we are in and look for the support of the state to get anywhere in my life, seeking advantages that are not common to everybody.

In the purview of the House of Commons there are 1,700 employees. Recently, people were asked to voluntarily identify themselves as to what designated group they fall into. Only 50 people said they fell into one of these designated groups. Only 30 per cent of the people responded. That is not the kind of people Canadians are. We do not respond to that. We do not want a constitution or laws based on race. We want laws based on the equality of all individuals.

In any event, we have this legislation and we have pointed out the error, the problem, or the hole in it. The government looked at it and very wisely assumed our counsel and said we had a good point.

We do not like the legislation and we will vote against it. If we can improve it we will try because when we wake up in the morning it will be in the driveway.

I visited my brother–in–law a few years ago. He was looking at a new motorcycle and he had the brochure on the kitchen table. His wife came home, saw the brochure, and went ballistic. He asked her why she got so mad and she said "Because the brochure is on the kitchen table today and tomorrow the motorcycle will be in the driveway". That is the same story on this legislation. Today the brochure is on the table and tomorrow the legislation will be in the driveway, and there is nothing we can do about it. The government has its massive majority and it is going to push the legislation through come hell or high water. We must try to make it better in any little way we can.

Giving credit where credit is due, the government saw that the amendment improved the legislation and it made an amendment that improved the amendment we submitted. We end up with better legislation, which is how the House works from time to time.

I am speaking in support of the amendment, which will make this draconian legislation a little less draconian, perhaps a bit better. There is a ray of sunshine and light that comes into the House from time to time.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I thought I would yield to my hon. colleague from Toronto. However, I thank her for the privilege.

Speaking very briefly to this amendment, I would like to refute some of the misinterpretations, though not done with malice, by the hon. member.

He indicated in his opening remarks that while subsection 15(1) talks about the equality of all Canadians, in essence he argued that subsection 15(2) negates this by saying that we are not equal because of race. That to me is a misinterpretation of the Canadian Charter of Rights and Freedoms. I have more faith in the framers, fathers, and parents of the Canadian Charter of Rights and Freedoms.

I think what section 15 tells us is that we should have equal benefit and protection of the law, all Canadians on an equal basis, irrespective of race, disability, origin, or gender. At the same time, subsection 15(2) deals with disadvantaged people, as visible minorities may be, people of First Nations origin, women, and persons with disabilities.

In subsection 15(2) the framers of our charter of rights and freedoms were trying to prevent possible dilatory tactics on the part of people who would complain that government can introduce legislation that will address those very disadvantages. They are not being given advantages; they are only being restored to equality. They are disadvantaged, so we must restore them to equality. They are not being restored to superiority. I think that has to be made very clear to all Canadians.

• (1610)

Therefore subsections 15(1) and (2) demonstrate the ingenuity of Canadians.

In his opening remarks the hon. member indicated that quota is a way of giving advantages. For the same reason, it is not. On a very close reading of the bill itself, quota is prohibited. How clear can we be? The law as proposed and tabled in the House states that no one may impose a quota, not even the enforcement officer. We have to forget about this being quotas.

Certainly the member in trying to sustain his argument about quotas indicated those people in this disadvantaged group are to be employed in the proportion they exist in the population in the community. That is wrong. That is not what the bill states. The bill states that it is in proportion to the available qualified people. Why not? Why would one argue against the qualification of others only because of colour, disability, origin or gender? The bill states that it is in proportion to the number of qualified people, again sustaining the principle of equality.

On the point of census on race, as I indicated to the media, we have nothing to be ashamed of when we are asked that we should say that we are Canadians. The census is one taken among Canadians. Therefore it is a given that this is a census of Canadians. If we are asked about our origins and our heritage, we should be proud. I am proud to be a Filipino Canadian. The Jews are proud to be Jewish Canadians. Ukrainians are proud because they are Canadians as well. We are proud of our heritage. That is what our nation has taught us. It has given us self–confidence, self–worth and dignity.

On the motion itself, I agree with the hon. member that this is an example of co–operation taking place in the House. It is also a clear example that the government, when it sees a good amendment, tries to improve on it and makes it even better. We deal in this amendment, which was reached by consensus by all parties in the House, with non–fulfilment of the employment equity plan as a consequence of a poor identification that is based on self–identification.

I call to the House's attention that with this improved amendment we have also sustained another principle, confidentiality. I see the member who originally proposed the motion is smiling. I think this is what reconciliation is all about. We should be able to have a new principle without killing another principle. We should have one principle strengthen the other. Here we are preserving the principle of confidentiality.

Why does the government agree to this amendment, which was also refined by the government? It is because we heard witnesses acknowledge the limitations of the self–identification system. However, witnesses have also told the committee that we must retain the privacy and confidentiality of information. Obviously, we have to reconcile these two views.

We were not shown any other method by which to identify except by coercion. We agreed at the committee level that coercion would do more harm than good. Therefore, in the absence of an alternative tool, in the absence of limitation, the committee initiated that we should retain the self–identification approach. However, at the same time, the committee proposed that there be more openness on the part of employers to hold employer and employee meetings on a regular basis so that there would be a feeling of rapport between employees and employers. At the same time information sessions must be held by the employers to inform employees of the importance of identifying themselves so we can truly monitor the progress of employment equity in a given workplace.

• (1615)

As well, the committee recommended that managers in those businesses be given special training to enable them to be more persuasive of the need for self–identification.

On the issue of self–identification, in the spirit of this act it is very critical that the process be held in a climate or atmosphere of trust and confidentiality. It can only be accomplished if we truly convince employees that the purpose of self–identification is to ensure employment equity in the workplace. Nobody would disagree with that kind of approach.

On that note, I am pleased we have been able to arrive at the motion proposed by the member for Edmonton Southwest that has refined by the government. It is a classic example that the government always listens to good proposals whether they come from the opposition or from its own members.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 11A. I understand the hon. member for Edmonton Southwest has a question about whether the text of the motion is the same in the two official languages. Does he wish to rise on a point of order?

Mr. McClelland: Mr. Speaker, I rise on a point of order. The table officers are presently looking into it. There seems to be some concern that the French text is not the same as the English text. We need to have that clarified.

The Deputy Speaker: There seems to be a problem with the translation of the last part of the motion. Since the original motion was in English perhaps, if it is acceptable to the member and the rest of the members in the House, we could take it as the one that will apply. Is that agreed?

Some hon. members: Agreed.

• (1620)

The Deputy Speaker: The hon. member for Edmonton Southwest has heard Motion No. 11A. Is it in accord with his understanding of the motion that was moved by unanimous consent?

Mr. McClelland: Yes, it is, Mr. Speaker.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion No. 11A agreed to.)

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): moved

Motion No. 13

That Bill C–64, in Clause 28, be amended by adding after line 31, on page 20, the following:

"(4.1) Where the President of the Panel appoints one or more persons as members of a Tribunal, the President shall make reasonable efforts to appoint persons

(*a*) from designated groups in a proportion that reflects their representation in the Canadian population as a whole; and

(*b*) who, in the opinion of the President, are highly knowledgeable about employment equity or have substantial experience in this area."

Motion No. 14

That Bill C–64, in Clause 28, be amended by adding after line 31, on page 20, the following:

"(4.1) Where the President of the Panel appoints one or more persons as members of a Tribunal, the President shall make reasonable efforts to appoint persons

(*a*) from designated groups in a proportion that reflects their representation in the Canadian population as a whole; or

(*b*) who, in the opinion of the President, are highly knowledgeable about employment equity or have substantial experience in this area."

He said: Mr. Speaker, for your information, my colleague is Mr. Deshaies, and I thank him for supporting the motion.

I would simply like to say what it is about. One of the innovations in this bill, which has earned the support of the official opposition, is that the Canadian Human Rights Commission will be made specifically responsible for enforcing the Employment Equity Act. No doubt, for those not familiar with employment equity, it would be useful to point out that it involves making arrangements to ensure that four categories of people in our society: women, persons with disabilities, aboriginal peoples and members of visible minorities may finally take their rightful place in the labour market.

One of the means the bill proposes is the obligation, which applies to both the private sector and the public sector—making the public sector subject to the provisions of the bill is another one of its innovations—meaning that, once the bill receives royal assent, 300,000 other Canadians and Quebecers will be covered by employment equity.

Another obligation under this bill is that of preparing an employment equity plan, which is to be submitted the following June to the director responsible for the program at Human Resources Development Canada. It will be up to the Minister of Human Resources Development to combine all the plans submitted by both the private and public sectors.

The reason I say this is very important is because, when plans are missing, when an employer fails to submit an employment equity plan within the required time period and fails to make all reasonable efforts—the expression used in the bill—to achieve the employment equity objectives he set for himself, then a course of redress is possible. That is where the amendment enters in.

• (1625)

For the first time since the Employment Equity Act was assented to, that is since 1986, the human rights commissioner will be able, on request and as he sees fit during summary proceedings where there has been an admission of guilt, to establish an employment equity review tribunal.

This is an extremely important body for enforcing the act because there is no provision for a right of appeal. The commissioner will therefore have the responsibility of creating a committee from whose decisions there may be no appeal, as the hon. parliamentary secretary who is so fascinated by these questions is aware. In other words, decisions will be final and binding.

The Bloc's amendment, which I believe is a well thought out amendment, will certainly gain government support, since this government is beginning to feel more and more alone.

The amendment will consist in ensuring that the three administrative officers called upon to hear the case will come from designated groups.

We feel that this is important, that there must be a correlation, a link, between what it is felt that this act represents and those who will be bringing down a decision in one of these administrative proceedings.

These are the reasons it is so vital for this bill to be amended and for the commission members not to be already in the employ of the Human Rights Commission. The Human Rights Commission employees do a good job, no denying; they are well informed about the various statutes concerning human rights, but they have never brought down decisions relating to employment equity. We on this side of the House would like to see a

specific clause in this bill devoted to the Human Rights Commission's ability to select from among the general population people to represent women, the disabled, visible minorities and, of course, aboriginal people.

We feel that it will be far more worthwhile for this tribunal not to require any exceptional procedures and for it to be flexible. The only thing that will be exceptional will be the right of appeal, as I have already stated. The principles of natural justice will have to apply, but should a tribunal decision be found to have been in error, there would still be the possibility of applying for an appeal to be heard in the Federal Court of Appeal.

Basically, we think it would be useful to amend the bill so that the commissioners who sit on these tribunals are members of the groups for whom we are trying to ensure representation.

I must say I regret, and I say this with my usual frankness, that the government was not very receptive to this amendment in committee. Now you know my philosophy: I always do everything out in the open. I told the government I would introduce an amendment, and they have not been very receptive.

I hope that between consideration in committee and the debate we are having today, the government will have reconsidered, because this is supported by representatives of the cultural communities who appeared before the committee and by the unions.

I may recall that this amendment would not involve additional expenditures, since in any case, it does not change what the bill now prescribes, which is the presence of three commissioners whose remuneration shall be paid by the Canadian Human Rights Commission.

• (1630)

Since the government has maintained the same designation procedure and did not feel it was necessary to add another category, the groups are still the same, in other words, women, aboriginal peoples, persons with disabilities and visible minorities. In committee we discussed the relevance of adding a fifth or sixth category but concluded that we did not have enough information on other groups in society that might experience specific discrimination in the workplace.

Since the designated groups were maintained and are still designated on the basis of self–designation, I think it makes sense to take the same approach when administrative authorities are asked to hand down rulings, that is, when an employment equity review tribunal is appointed.

I have the impression, and I say this with the utmost caution, that this is also an amendment the Reform Party would like to see. Again, and we cannot repeat this often enough, this will not involve any additional budgetary expenditures, since the composition of the employment equity review tribunal remains the same when a tribunal is established at the request of the human rights commissioner, since according to the bill, establishment of a tribunal may be requested by either the employer or the Canadian Human Rights Commission.

We feel this amendment will considerably improve the bill. I hope it will receive the support of a majority of the members in this House.

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, let me first say that I am proud, as a Quebecer and a Canadian, of the major step forward we are about to take in matters of equality and human rights with the passing of this bill on employment equity.

I would also like to thank our colleague for Hochelaga—Maisonneuve for his strong and sincere commitment to human rights and to promoting equality and equity for all of Canada's citizens.

I thank him for his ongoing efforts in this regard, both on the Standing Committee on Human Rights and the Status of Disabled People and here in the House of Commons. He continues to express his commitment with the motions he is putting before the House today in order to further improve this bill on employment equity.

With the motions we are debating, that is, Motions Nos. 13 and 14, he is proposing that the people appointed to an employment equity review tribunal themselves represent designated groups or have knowledge or particular experience in this area.

Given the legislation it applies to, the motion is highly justifiable in theory. However, it seems fairly clear to us, as some of my colleagues have already mentioned, with all due respect to my colleague, that it is literally inapplicable in practice. For the information of my fellow members, I think it would be useful to first look at the nature and the function of this tribunal and to put it in the context of the logic of this bill so we can understand when and how it intervenes and how it is made up. First, when does it intervene?

The employment equity review tribunal takes action following an intervention by a compliance officer with an employer governed by the act. When should a compliance officer audit an employer? When there is a need to determine if an employer fulfils his or her obligations under the act.

Who decides if an audit must be conducted? Again, this decision is made by the Canadian Human Rights Commission, to which the bill gives the authority to enforce the act and monitor employers' compliance.

Clause 22 of the bill provides that the commission is responsible for the enforcement of the obligations imposed on employers by the sections that concern them.

The human rights commission determines if a given employer is complying with the employment equity requirements outlined in the act.

• (1635)

To assume this responsibility, the commission may designate a person to conduct compliance audits of employers on its behalf. This person is the compliance officer referred to in clause 23. If the audit reveals that the employer failed to fulfil any of his or her obligations, the compliance officer tries to reach an agreement with the employer to implement the corrective measures required.

However, if the compliance officer and the employer cannot come to an agreement, the commission may order the employer to correct the situation. During the time limits set out in clause 27, the employer can challenge the commission's decision by asking the president of the human rights tribunal panel to conduct a review, again under clause 27. As for the commission, it has the same recourse if the employer does not comply with its decision within the prescribed deadline.

It is at this point that, in either case, the employment equity review tribunal becomes involved. Under clause 28, the tribunal consists of one member of the human rights tribunal panel appointed by the president of that panel. In more complex cases, the president can appoint a tribunal of three members.

The most basic arithmetic shows that the first part of Motions Nos. 13 and 14 tabled by the member for Hochelaga—Maisonneuve are unnecessary since, in most cases, the tribunal would consist of only one person. Indeed, we cannot see how a single person could represent designated groups in a proportion that reflects their representation in the Canadian population as a whole.

The member supports his argument by saying that the tribunal will often consist of more than one member if Motion No. 12 is carried, in addition to those cases where the president will deem appropriate to appoint three people. But again, the number of members would still be too small to ensure significant representation of designated groups.

Even if we implement the idea of a degree of representation for designated groups, we will unnecessarily complicate the already complex task of the president of the panel, while also, in some cases, casting a doubt regarding the impartiality of this judicial process. In short, that part of the motion would create more problems than it would solve.

The second part of the motion is definitely more reasonable and easier to implement. It provides that, in the opinion of the president, the persons appointed as members of an employment equity review tribunal are highly knowledgeable about employment equity, or have substantial experience in this area. The government has already said it agrees with that idea. The standing committee which reviewed the bill passed an amendment requiring that, when appointing tribunals, the president of the panel take into account the knowledge and experience of people in the area of employment equity.

I believe that the amendment proposed by the committee is quite similar to the one tabled by the hon. member for Hochelaga—Maisonneuve. Moreover, the same clause, specifically clause 28(7), provides that the president of the panel may hire persons having technical or special knowledge to assist or advise a tribunal. Clearly, the bill already provides sufficient guarantees that the tribunal will rely on sound knowledge in the area of employment equity. Consequently, in my opinion, the amendment proposed by the hon. member is absolutely not necessary.

The Deputy Speaker: Before recognizing the hon. member for London—Middlesex, it is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for The Battlefords—Meadow Lake—Indian Affairs.

[*English*]

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, I begin my remarks by thanking the hon. member for Hochelaga—Maisonneuve for his proposed amendment. Clearly he has heard an argument that was made during the hearings of the committee that he believes has merit. Having said that, I will not vote in favour of his amendment. I believe the essential goal of the amendment has already been captured in the change which the committee made to Bill C-64.

• (1640)

The standing committee achieved the appropriate balance in the legislation. It responded to the essence of the points it heard on the issue. It did so in a way that is consistent with the spirit of the bill. There are many practical reasons why going further simply will not work.

We have often heard that justice must not only be done, it must be seen to be done. That should apply in the work of the new employment equity review tribunals. If we want the system to work as well as it must, then we should want the most competent persons to hear cases.

That becomes even more important when we understand how complex the cases that will come before these tribunals can be. They will often involve equity and human rights considerations. They will consider real world business practices and human resource management approaches. They will involve a careful assessment and balancing of needs and priorities. That demands a reasonable level of expertise in the members of a tribunal. Yet, as many witnesses pointed out, some members of the Canadian human rights tribunal panel have not necessarily had any real knowledge of employment equity issues in the past. They have not necessarily come in to cases with any expertise in workplace issues.

Some employer and labour representatives said this was no place for on the job training and yet that is what they have seen. They cited examples in which the individuals hearing cases clearly knew far less than the people appearing before them. The result was frustration, added cost and some doubt as to whether a truly just decision could be rendered. In the same vein, representatives of designated groups saw a need for tribunal members who were truly aware of their situation. They were concerned that tribunal members would not understand the barrier they faced and the need for action.

When we look at the committee's report we see that witnesses offered many suggestions on how to improve this state of affairs. This proposed amendment draws on some of those ideas.

The committee took a different course. I think it was a better course. It chose to amend Bill C–64 by requiring the president of the Canadian human rights tribunal panel to give due consideration to the expertise of individuals he or she might appoint to employment equity review tribunals. That amendment would give the president of the panel a clear direction without tying his or her hands.

In a way, that decision is consistent with the direction of the entire bill. The emphasis is on reasonable efforts to place qualified people in this role. It does not set a quota. It does not incorporate the labour relations based model into the process. It does not assume that there should be representatives of perspectives that are in probable opposition to each other. Moreover, it permits a flexible approach where appropriate. The goal is to appoint tribunal members who understand the issues and who can rule on them fairly.

Not only are there sound philosophical reasons for the House to support the committee's approach and to reject the amendment, there are sound practical reasons to do so as well. One of the most important pertains to the size of the tribunals. Tribunals do not have seven or nine people on them who can be chosen to fill certain quota needs. A tribunal will have either three or just one person.

If three persons are hearing a case, and that was the preference of the committee as hon. members may recall, how will the representation issues be resolved? That problem becomes unsolvable if a one person tribunal is established. Hon. members should remember that one person tribunals may often be appointed in less complex cases. In those instances, representation of designated groups, expertise and experience simply cannot be achieved in a fashion that most people will see as fair.

Clearly it is not possible to make a system of proportional representation work well for three people and it simply cannot work for one person. It is far better to concentrate on expertise and experience. In any event, representation is taking care of itself.

When Keith Norton, the president of the Canadian human rights tribunal panel, appeared before the standing committee he agreed that the tribunal should have membership from all walks of life. It would be similar to what we see happening across the judiciary. It is growing more and more representative of society all the time.

The committee has done its work and has done it very well. I commend its members for that work. Because of that direction I do not think we should support this amendment.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 13. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

[*Translation*]

The Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion is deferred.

[*English*]

The House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House.

Call in the members.

And the bells having rung:

The Deputy Speaker: Having heard the request from the chief government whip, the vote will be deferred until five o'clock.

SUSPENSION OF SITTING

Mr. Boudria: Mr. Speaker, in view of the fact that only slightly over ten minutes are left, instead of pursuing other government business perhaps the House would give its consent to suspend for 12 minutes.

The Deputy Speaker: Is there unanimous consent to suspend the House for 12 minutes?

Some hon. members: Agreed.

(The sitting of the House was suspended at 4.47 p.m.)

Government Orders

SITTING RESUMED

The House resumed at 5.01 p.m.

The Deputy Speaker: The House will now proceed to the taking of the deferred divisions on Bill C–64. The first question will be on Motion No. 1.

Call in the members.

(The House divided on Motion No. 1, which was negatived on the following division:)

(Division No. 344)

YEAS

Members

Benoit
Bridgman
Bryden
Cummins
Epp
Gilmour
Grey (Beaver River)
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
McClelland (Edmonton Southwest/Sud–Ouest)
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Thompson
Williams —39

Breitkreuz (Yellowhead)
Brown (Calgary Southeast/Sud–Est)
Chatters
Duncan
Frazer
Gouk
Grubel
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Silye
Stinson
White (Fraser Valley West/Ouest)

NAYS

Members

Adams
Anderson
Asselin
Axworthy (Winnipeg South Centre/Sud–Centre)
Baker
Beaumier
Bélanger
Bellehumeur
Bergeron
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Boudria
Brown (Oakville—Milton)
Calder
Caron
Cauchon
Cohen
Comuzzi
Cowling
Culbert
de Savoye
Deshaies
Dhaliwal
Dromisky
Duceppe
Dumas
Eggleton
Fewchuk
Finlay
Fontana
Gaffney

Alcock
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Bachand
Barnes
Bélair
Bélisle
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bhaduria
Bodnar
Bouchard
Brien
Caccia
Cannis
Catterall
Clancy
Collins
Copps
Crawford
Daviault
Debien
DeVillers
Discepola
Dubé
Duhamel
Easter
English
Fillion
Flis
Fry
Gagliano

Gagnon (Québec)
Godfrey
Goodale
Grose
Guimond
Harper (Churchill)
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Lalonde
Langlois
LeBlanc (Cape/Cap–Breton Highlands—Canso)
Leroux (Richmond—Wolfe)
Loney
Maclaren
Malhi
Marchand
McCormick
McLaughlin
McWhinney
Mifflin
Mitchell
Murray
O'Brien
Pagtakhan
Paré
Payne
Peterson
Picard (Drummond)
Pomerleau
Regan
Ringuette–Maltais
Rocheleau
Scott (Fredericton—York—Sunbury)
Skoke
St. Denis
Stewart (Brant)
Taylor
Torsney
Ur
Venne
Volpe
Whelan
Zed—159

Gauthier
Godin
Graham
Guay
Harb
Harvard
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lee
Leroux (Shefford)
MacAulay
MacLellan (Cape/Cap–Breton—The Sydneys)
Maloney
Massé
McKinnon
McTeague
Ménard
Milliken
Murphy
Nunziata
O'Reilly
Paradis
Parrish
Peric
Phinney
Pickard (Essex—Kent)
Reed
Richardson
Robillard
Sauvageau
Sheridan
Solomon
Steckle
Szabo
Terrana
Tremblay (Rimouski—Témiscouata)
Valeri
Verran
Wells
Wood

PAIRED MEMBERS

Arseneault
Canuel
Dalphond–Guiral
Gerrard
Jacob
Manley
Plamondon

Bernier (Gaspé)
Crête
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gray (Windsor West/Ouest)
Loubier
Minna
Vanclief

● (1725)

The Deputy Speaker: I declare Motion No. 1 lost. I therefore declare Motions Nos. 6, 8, 9, 10, 15, 16 and 17 also lost.

The next question is on Motion No. 5 of group 3.

Mr. Boudria: Mr. Speaker, if you were to seek it I believe you would find unanimous consent to apply the vote taken on the previous motion to the motion now before the House.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

Mr. Bryden: Mr. Speaker, I would like to be recorded as voting with the government on this motion.

Ms. Marleau: Mr. Speaker, I would like to be recorded as voting with the government on this and further votes.

Mr. Tobin: Mr. Speaker, I wish to bring to your attention, thanks to the proddings of my colleague opposite, that I missed the first vote. I am now here and wish to be counted with the government subsequently.

(The House divided on Motion No. 5, which was negatived on the following division:)

(Division No. 345)

YEAS

Members

Benoit
Bridgman
Chatters
Duncan
Frazer
Gouk
Grubel
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Silye
Stinson
White (Fraser Valley West/Ouest)

Breitkreuz (Yellowhead)
Brown (Calgary Southeast/Sud-Est)
Cummins
Epp
Gilmour
Grey (Beaver River)
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
McClelland (Edmonton Southwest/Sud-Ouest)
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Thompson
Williams —38

NAYS

Members

Adams
Anderson
Asselin
Axworthy (Winnipeg South Centre/Sud-Centre)
Baker
Beaumier
Bélanger
Bellehumeur
Bergeron
Bertrand
Bevilacqua
Blondin-Andrew
Bonin
Boudria
Brown (Oakville—Milton)
Caccia
Cannis
Catterall
Clancy
Collins
Copps
Crawford
Daviault
Debien
DeVillers
Discepola
Dubé
Duhamel
Easter
English

Alcock
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Bachand
Barnes
Bélair
Bélisle
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bhaduria
Bodnar
Bouchard
Brien
Bryden
Calder
Caron
Cauchon
Cohen
Comuzzi
Cowling
Culbert
de Savoye
Deshaies
Dhaliwal
Dromisky
Duceppe
Dumas
Eggleton
Fewchuk

Fillion
Flis
Fry
Gagliano
Gauthier
Godin
Graham
Guay
Harb
Harvard
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lee
Leroux (Shefford)
MacAulay
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
McCormick
McLaughlin
McWhinney
Mifflin
Mitchell
Murray
O'Brien
Pagtakhan
Paré
Payne
Peterson
Picard (Drummond)
Pomerleau
Regan
Ringuette-Maltais
Rocheleau
Scott (Fredericton—York—Sunbury)
Skoke
St. Denis
Stewart (Brant)
Taylor
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Verran
Wells
Wood

Finlay
Fontana
Gaffney
Gagnon (Québec)
Godfrey
Goodale
Grose
Guimond
Harper (Churchill)
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Lalonde
Langlois
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leroux (Richmond—Wolfe)
Loney
Maclaren
Malhi
Marchand
Massé
McKinnon
McTeague
Ménard
Milliken
Murphy
Nunziata
O'Reilly
Paradis
Parrish
Peric
Phinney
Pickard (Essex—Kent)
Reed
Richardson
Robillard
Sauvageau
Sheridan
Solomon
Steckle
Szabo
Terrana
Torsney
Ur
Venne
Volpe
Whelan
Zed—162

PAIRED MEMBERS

Members

Arseneault
Canuel
Dalphond-Guiral
Gerrard
Jacob
Manley
Plamondon

Bernier (Gaspé)
Crête
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gray (Windsor West/Ouest)
Loubier
Minna
Vanclief

The Deputy Speaker: I declare Motion No. 5 lost.

• (1730)

The next question is on group 4, Motion No. 7.

[*Translation*]

Mr. Boudria: Mr. Speaker, I believe the House would give its unanimous consent that all members who voted on the previous motion, that is Motion No. 5, be recorded as having voted on the

motion now before the House, with the Liberal members recorded as voting nay.

Mr. Duceppe: The Bloc Quebecois members will vote yea.

[*English*]

Mr. Ringma: Reform members will vote in favour of this motion except for those who wish to vote otherwise. This is the only time I will say that this evening.

Mr. Silye: I wish to vote otherwise, Mr. Speaker. I vote against this motion.

Mr. Solomon: Mr. Speaker, New Democrats present this afternoon vote yea on this motion.

Mr. Bhaduria: Mr. Speaker, I will be voting against this motion.

The House divided on Motion No. 7, which was negatived on the following division:

(*Division No. 346*)

YEAS

Members

Asselin	Axworthy (Saskatoon—Clark's Crossing)
Bachand	Bélisle
Bellehumeur	Benoit
Bergeron	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Breitkreuz (Yellowhead)
Bridgman	Brien
Brown (Calgary Southeast/Sud-Est)	Caron
Chatters	Cummins
Daviault	de Savoye
Debien	Deshaies
Dubé	Duceppe
Dumas	Duncan
Epp	Fillion
Frazer	Gagnon (Québec)
Gauthier	Gilmour
Godin	Gouk
Grey (Beaver River)	Grubel
Guay	Guimond
Hanger	Hanrahan
Harper (Calgary West/Ouest)	Harper (Simcoe Centre)
Hart	Hayes
Hermanson	Hill (Prince George—Peace River)
Hoeppner	Lalonde
Landry	Langlois
Laurin	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Marchand
Mayfield	McClelland (Edmonton Southwest/Sud-Ouest)
McLaughlin	Ménard
Meredith	Mills (Red Deer)
Morrison	Paré
Penson	Picard (Drummond)
Pomerleau	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Solberg
Solomon	Stinson
Taylor	Thompson
Tremblay (Rimouski—Témiscouata)	Venne
White (Fraser Valley West/Ouest)	Williams —78

NAYS

Members

Adams	Alcock
Anderson	Assadourian
Axworthy (Winnipeg South Centre/Sud-Centre)	Baker
Barnes	Beaumier
Bélair	Bélanger
Bellemare	Bertrand
Bethel	Bevilacqua
Bhaduria	Blondin-Andrew
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Bryden	Caccia
Calder	Cannis
Catterall	Cauchon
Clancy	Cohen
Collins	Comuzzi
Copps	Cowling
Crawford	Culbert
DeVillers	Dhaliwal
Discepola	Dromisky
Duhamel	Easter
Eggleton	English
Fewchuk	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Godfrey
Goodale	Graham
Grose	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Jordan
Keyes	Kirkby
Knutson	Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	MacAulay
Maclaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Marleau	Massé
McCormick	McKinnon
McTeague	McWhinney
Mifflin	Milliken
Mitchell	Murphy
Murray	Nunziata
O'Brien	O'Reilly
Pagtakhan	Paradis
Parrish	Payne
Peric	Peterson
Phinney	Pickard (Essex—Kent)
Reed	Regan
Richardson	Ringuette-Maltais
Robillard	Scott (Fredericton—York—Sunbury)
Sheridan	Silye
Skoke	St. Denis
Steckle	Stewart (Brant)
Szabo	Terrana
Tobin	Torsney
Ur	Valeri
Verran	Volpe
Wells	Whelan
Wood	Zed—122

PAIRED MEMBERS

Arseneault	Bernier (Gaspé)
Canuel	Crête
Dalphond-Guiral	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard	Gray (Windsor West/Ouest)
Jacob	Loubier
Manley	Minna
Plamondon	Vanclief

The Deputy Speaker: I declare the motion lost.

The next question is on group 6, Motion No. 13.

A positive vote on Motion No. 13 will obviate the necessity of the question being put on Motion No. 14.

[*English*]

A negative vote on Motion No. 13 necessitates the question being put on Motion No. 14.

Mr. Boudria: Mr. Speaker, if you were to seek it I believe the House would give its unanimous consent that all members who voted on the previous motion be recorded as having voted on the motion now before the House with Liberal members voting nay.

[*Translation*]

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

Mr. Duceppe: Mr. Speaker, the Bloc members will vote yea.

[English]

Mr. Ringma: Mr. Speaker, most Reformers will vote no 347.

Mr. Solomon: Mr. Speaker, members of the New Democratic Party who are in the House this evening vote yea on Motion No. 13.

Mr. Bhaduria: Mr. Speaker, I will be voting against this motion.

(The House divided on Motion No. 13, which was negatived on the following division:)

(*Division No. 347*)

YEAS

Members

Asselin
Bachand
Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Brien
Daviault
Debien
Dubé
Dumas
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Leroux (Shefford)
McLaughlin
Paré
Pomerleau
Sauvageau
Taylor
Venne—41

Axworthy (Saskatoon—Clark's Crossing)
Bélisle
Bergeron
Bouchard
Caron
de Savoye
Deshaies
Duceppe
Fillion
Gauthier
Guay
Lalonde
Langlois
Leroux (Richmond—Wolfe)
Marchand
Ménard
Picard (Drummond)
Rocheleau
Solomon
Tremblay (Rimouski—Témiscouata)

NAYS

Members

Adams
Anderson
Axworthy (Winnipeg South Centre/Sud-Centre)
Barnes
Bélair
Bellemare
Bertrand
Bevilacqua
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast/Sud-Est)
Bryden
Calder
Catterall
Chatters
Cohen
Comuzzi
Cowling
Culbert
DeVillers
Discepola
Duhamel
Easter
English
Fewchuk
Flis
Frazer
Gaffney
Gilmour
Goodale
Graham
Grose
Hanger
Harb
Harper (Churchill)
Hart
Hayes
Hickey
Hoeppner
Hubbard
Iftody
Jackson
Keyes
Knutson
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
Maclaren
Malhi
Marleau
Mayfield
McCormick
McTeague
Meredith
Milliken
Mitchell
Murphy
Nunziata
O'Reilly
Paradis
Payne
Peric
Phinney
Ramsay
Regan
Ringma
Robillard
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Thompson
Torsney
Valeri
Volpe
Whelan
Williams
Zed—159

Alcock
Assadourian
Baker
Beaumier
Bélanger
Benoit
Bethel
Bhaduria
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Caccia
Cannis
Cauchon
Clancy
Collins
Copps
Crawford
Cummins
Dhaliwal
Dromisky
Duncan
Eggleton
Epp
Finlay
Fontana
Fry
Gagliano
Godfrey
Gouk
Grey (Beaver River)
Grubel
Hanrahan
Harper (Calgary West/Ouest)
Harper (Simcoe Centre)
Harvard
Hermanson
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lee
MacAulay
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Massé
McClelland (Edmonton Southwest/Sud-Ouest)
McKinnon
McWhinney
Mifflin
Mills (Red Deer)
Morrison
Murray
O'Brien
Pagtakhan
Parrish
Penson
Peterson
Pickard (Essex—Kent)
Reed
Richardson
Ringuette-Maltais
Schmidt
Scott (Skeena)
Silye
Solberg
Steckle
Stinson
Terrana
Tobin
Ur
Verran
Wells
White (Fraser Valley West/Ouest)
Wood

PAIRED MEMBERS

Arseneault
Canuel
Dalphond-Guiral
Gerrard
Jacob
Manley
Plamondon
Bernier (Gaspé)
Crête
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gray (Windsor West/Ouest)
Loubier
Minna
Vanclief

[*Translation*]

The Deputy Speaker: I declare Motion No. 13 defeated.

The next division will be on Motion No. 14 of Group No. 6.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe the House would give its unanimous consent that the vote on the previous motion, that is Motion No. 13, be applied to Motion No. 14 also.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under division No. 347.*]

• (1735)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.) moved that the bill, as amended, be concurred in and read the second time.

Mr. Boudria: Mr. Speaker, I rise on a point of order. If you were to seek it, I believe you would find unanimous consent to apply the vote taken on report stage Motion No. 5 in reverse to the motion now before the House.

For the clarification of my colleague whips, the reason I am using this vote as opposed to Motion No. 1 is that some members were absent for the first vote.

(The House divided on the motion, which was agreed to on the following division.)

(*Division No. 348*)

YEAS

Members

Adams
Anderson
Asselin
Axworthy (Winnipeg South Centre/Sud-Centre)
Baker
Beaumier
Bélanger
Bellehumeur
Bergeron
Bertrand
Bevilacqua
Blondin-Andrew
Bonin
Boudria
Brown (Oakville—Milton)
Caccia
Cannis
Catterall
Clancy
Collins
Copps
Crawford
Daviault
Debien
DeVillers
Discepola
Alcock
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Bachand
Barnes
Bélair
Bélisle
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bhaduria
Bodnar
Bouchard
Brien
Bryden
Calder
Caron
Cauchon
Cohen
Comuzzi
Cowling
Culbert
de Savoye
Deshaies
Dhaliwal
Dromisky
Dubé
Duhamel
Easter
English
Fillion
Flis
Fry
Gagliano
Gauthier
Godin
Graham
Guay
Harb
Harvard
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Landry
Laurin
Lee
Leroux (Shefford)
MacAulay
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
McCormick
McLaughlin
McWhinney
Mifflin
Mitchell
Murray
O'Brien
Pagtakhan
Paré
Payne
Peterson
Picard (Drummond)
Pomerleau
Regan
Ringuette-Maltais
Rocheleau
Scott (Fredericton—York—Sunbury)
Skoke
St. Denis
Stewart (Brant)
Taylor
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Verran
Wells
Wood
Duceppe
Dumas
Eggleton
Fewchuk
Finlay
Fontana
Gaffney
Gagnon (Québec)
Godfrey
Goodale
Grose
Guimond
Harper (Churchill)
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Lalonde
Langlois
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leroux (Richmond—Wolfe)
Loney
Maclaren
Malhi
Marchand
Massé
McKinnon
McTeague
Ménard
Milliken
Murphy
Nunziata
O'Reilly
Paradis
Parrish
Peric
Phinney
Pickard (Essex—Kent)
Reed
Richardson
Robillard
Sauvageau
Sheridan
Solomon
Steckle
Szabo
Terrana
Torsney
Ur
Venne
Volpe
Whelan
Zed—162

NAYS

Members

Benoit
Bridgman
Chatters
Duncan
Frazer
Gouk
Grubel
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Prince George—Peace River)
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Silye
Stinson
White (Fraser Valley West/Ouest)
Breitkreuz (Yellowhead)
Brown (Calgary Southeast/Sud-Est)
Cummins
Epp
Gilmour
Grey (Beaver River)
Hanger
Harper (Calgary West/Ouest)
Hart
Hermanson
Hoeppner
McClelland (Edmonton Southwest/Sud-Ouest)
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Thompson
Williams—38

PAIRED MEMBERS

Arseneault	Bernier (Gaspé)
Canuel	Crête
Dalphond-Guiral	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard	Gray (Windsor West/Ouest)
Jacob	Loubier
Manley	Minna
Plamondon	Vanclief

The Deputy Speaker: I declare the motion carried.

(Bill concurred in and read the second time.)

The Deputy Speaker: The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

MINING EXPLORATION AND DEVELOPMENT

The House resumed from June 5 consideration of the motion.

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, it is a pleasure for me to rise in the House tonight to speak on Motion M-292 which reads:

> That, in the opinion of this House, the government should consider implementing a new program of mining incentives which would encourage exploration and development in Canada.

[*Translation*]

But before going any further, I would like to state some very important facts, for the benefit of our viewers. First of all, Canada is the third largest mining country in the world, extracting about 60 metals and minerals, including zinc, uranium, potash and gold. The mining industry provides employment for approximately 335,000 Canadians in 150 communities. Mining companies in Northern Ontario have created 18,000 direct jobs in the metal industry and 5,000 in the non metallic minerals industry. I am very proud to say that the Williams mine, in Marathon, in the riding of Cochrane—Superior, is the largest gold mine in Canada.

There are, however, many barriers to the survival of the mining industry. First of all, mining exploration is a temporary land use that disrupts small areas for a very short time period. Once the mineral deposit is depleted, cleanup procedures are undertaken and land can be used for other purposes. Unfortunately, land use issues are fraught with uncertainty because of

the development of new parks and native land claims, some of which are being negotiated as we speak.

The industry is facing new difficulties since countries like Chile, Argentina and Mexico are upgrading their economies and taking steps to attract mining exploration and, thus, investors.

• (1740)

In 1993, Canadian companies with budgets over $1 million invested nearly $260 million, or half their budgets, in exploration outside of Canada. This represents an increase over 1992, when these companies devoted 40 percent of their exploration budgets abroad.

Why is that? First of all, at the natural resources committee hearings last year, the Canadian mining industry informed us of the stringent environmental standards—that is the first problem—and the slow licensing process as well. The second problem is non-unionized labour in Latin America and Mexico. Because of this, wages are extremely low; also, the standard of living is lower in these countries than here. Investors enjoy a much higher return on their investments down there than in Canada.

Since the licensing and environmental assessment processes are under federal and provincial jurisdiction, they are characterized by duplication and delay. We need at least $900 million to $1 billion a year in exploration capital in Canada to rebuild our ore reserves which have dropped dangerously.

We must bear in mind that, from 1990 to 1994, while 44 mines shut down operations in Canada, only 24 were opened.

[*English*]

If we want mining exploration to continue and to keep investors interested, there should be incentives from the government. We need a new program of mining incentives that will encourage exploration and development, encourage Canadian companies to keep investing in their country. That will permit the industry to help stabilize the economy and create employment.

Last year, as I mentioned a while ago, the committee for natural resources issued a report after its very long hearings. The report says:

> Canada needs to remove existing structural impediments to the achievement of a sound mineral investment climate. These have been identified as: the tax burden on the industry, particularly the one imposed by non-profit taxes; the inefficiencies of the current environmental regulatory regime; and the uncertainty surrounding land use policies and security to mineral title.

Another recommendation coming from the report is that the government has to work with mining communities and the provincial governments to establish those crucial partnerships to work together to ensure that we have a viable mining industry in Canada.

There is a great need for the harmonization of environmental guidelines. As it is today, the federal government's guidelines

differ from those of many of the provinces. This simply adds complexity to opening new mines.

The mining companies are not asking for grants but they want a level playing field and a tax system that is truly competitive with the rest of the world. There should be security of land tenure and a certainty of continuity in the rules of the game in terms of issuing permits and doing environmental assessments.

After extensive hearings the Standing Committee on Natural Resources have recommended nine key points on mining incentives. These points were also present in the Whitehorse mining initiative report.

I would like to emphasize a few of those recommendations. First, change the adjusted cost base of flowthrough shares from zero to the actual costs of the shares for five years only, to kickstart mining exploration again.

Flowthrough shares would provide a less costly means of raising equity based financing for exploration and development by facilitating a widespread share issue. Flowthrough shares allow access to a broad range of investors while minimizing the impact on corporate management and control.

• (1745)

Second, there should also be harmonization in the federal and provincial environmental guidelines. Co–operation agreements should be established among the jurisdictions for the development, administration and enforcement of environmental standards to improve the efficiency and effectiveness of the regulatory system and to reduce unnecessary industry regulatory compliance costs.

A new mining project should be subject to only one timely environmental assessment by a single lead agency with only one set of recommendations that meet all the requirements. We should try to conciliate conserving the environment with the creation of employment.

Third, we should amend the Income Tax Act to defer taxation of income generated by mine reclamation trusts until the funds within these trusts are finally allocated for reclamation purposes. Reclamation funds should be treated also like RRSPs.

Therefore I support Motion No. 292 by my colleague from Timiskaming. I insist at the same time that we should provide a newer direction for our mining industry and ensure that it continues to make a strong contribution to the Canadian economy.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, I would like, first of all, to thank or congratulate the hon. member for Timiskaming—French River for tabling this motion, and introducing it in the House on June 5 of this year. This motion reads as follows:

> That, in the opinion of this House, the government should consider implementing a new program of mining incentives which would encourage exploration and development in Canada.

When he talked on his motion, the hon. member mentioned in this House that in the area of mining, there was a substantial increase in exploration throughout Canada in 1994. However, this is not the opinion expressed by the Association des prospecteurs du Québec in a letter dated March 30, addressed to the Minister of Finance.

The letter said in particular that the government does not seem to realize that there is currently in Canada a lack of exploration which is mortgaging the future of the whole Canadian mining industry. The letter also said that it was urgent to try to replenish our mineral reserves. If we neglect to do that it will have an impact on a whole economic activity which is directly or indirectly connected with the mining and smelting industry in Canada.

I would like to say that we should make a distinction between mining exploration itself, where there was substantial growth in 1994 compared to 1993, and activities dependent on mining exploration, which also grew in 1994. We should mention, however, that despite this strong growth, we are a long way from the levels which existed in the early 1980s.

This being said, we can realize the scope of what the hon. member for Timiskaming—French River was saying and I quote: "Despite this, major problems and impediments still exist to a sound and sustainable mining sector in this country." It is in this context that the hon. member was asking the House to press the government to implement a program of incentives which would encourage exploration and development in the mining sector in Canada.

Of course, there is no reason why we should oppose this motion, even though it seems to be nothing but an expression of intent. However, assuming that the House of Commons agrees to this motion at the time of the vote, what will it give us that we do not have already?

The problem is not that Motion M–292 is inappropriate, but that it is not sufficient to solve the mining problem in Canada. In its report on the Canadian mining industry that was tabled before Parliament in December 1994, the Standing Committee on Natural Resources made a series of recommendations that all committee members, whatever their party affiliation, agreed on.

Of these recommendations, there are two that I will now outline for you. First, recommendation No. 3 which says: "That the federal government introduce a mineral exploration incentive by modifying the Income Tax Act to incorporate a change in the adjusted cost base of flow–through shares from a value of zero to the actual cost of the shares".

Then, recommendation No. 4, which everybody agreed on: "That in order to enhance the effectiveness of exploration work financed by means of flow–through shares, the federal government enable the exploration activity funded through such shares to be carried out over a period of one full year after financing".

• (1750)

The problem with the motion of the member for Timiskaming—French River is that, as it stands currently, it would do nothing concrete to stimulate mining exploration. It would be insufficient, in itself, to ensure implementation of the recommendations of the Standing Committee on Natural Resources, that the hon. member moving this motion is a member of.

If I brought to the attention of the House the committee recommendations that deal with flow–through shares, it is because my colleague from Abitibi also moved before Parliament a motion, Motion M–247, that has the same objective as Motion M–292, but would have a more obvious impact on mining exploration.

I do not intend to deal at length with the motion moved by my hon. colleague from Abitibi, but rather on the one moved by the hon. member for Timiskaming—French River. However, since both motions are very similar, I think it is relevant to speak to both. I would like to indicate that members of the Bloc Quebecois will support motion M–292 inasmuch as it is not at cross purposes with motion M–427 which we will also all support.

I will not dwell at length on the positive impact tax incentives could have on the mining industry, since my colleague from Abitibi covered that very well, but I would like to mention that this kind of incentive has proved to be useful in Quebec, more particularly with small mining companies, which have a positive impact on local economies through their exploration operations.

The hon. member for Timiskaming—French River has given lots of figures, which my colleague opposite repeated a moment ago, to demonstrate the importance of mining in Canada and describe the Canadian position in mining exploration throughout the world in several sectors.

Despite all those figures, the government does not seem to get the point that the mining industry is one of the strongest foundations of the Canadian economy and deserves more than lip service. If motion M–292 carries, it will have a positive impact because we will at least know which way the government is heading as regards the development of our mining industry. And if the motion of the hon. member for Abitibi is agreed to, the mining industry will be able to know how the government intends to reach its goal.

In the time remaining, I would like to comment on statements made by the hon. member for Fraser Valley East in reaction to remarks made by the hon. member for Abitibi on his motion. The hon. member for Fraser Valley East said among other things, and I quote:

[*English*]

"I am surprised and I might almost say astonished that this particular motion would come from the hon. member for Abitibi". Let me paraphrase what he says. He wants the federal government to pour money into subsidies for industry in Canada and in Quebec.

My colleague did not seem to understand the difference that exists between a federalist in Quebec and a sovereignist. A federalist in Quebec effectively always asks for more power and money. Sovereignists in Quebec do not want that at all. They want all the power and no money. We fully understand that being a minority in a majority means that we will fight forever, day after day, for bits of power and morsels of rights. We do not want bits of power and morsels of rights. We want all the power and all the rights. However, as long as we are in Confederation we will ask for our fair share of the federal expenses.

I will quote again the hon. member for Fraser Valley East: "I am surprised because the hon. member for Abitibi is a member of the Bloc Quebecois which, as we all know, is a political party with only one purpose and that is to destroy Canada as we know it by taking Quebec out of Confederation". That is a very strange affirmation.

Most Canadians actually believe, concerning Quebec of course, that we are a bunch of troublemakers, that we receive much more money from Canada than we put in, and that if the economic situation in Canada goes bad it is partly due to the political instability in Quebec. If those three assumptions are right and if people really believe them, the sovereignty of Quebec should be seen by most Canadians as a good way to solve a problem once and for all and save money, providing that we assume our fair share of the Canadian debt. That is exactly what we intend to do.

We are not a problem; we are the solution to a problem. If the no vote wins in Quebec we are back to square one. It will be 15 years of political debate to the next referendum, and I am sure nobody wants that. We do not want to destroy Canada. We simply think that Canadians should be able to run their country the way they want, without having to please Quebec at each moment, and that Quebec should be allowed to do the same.

• (1755)

My friend from Fraser Valley East continued: "I hope the member understands that people from my riding are frustrated by this kind of behaviour". I am frustrated too. I fully understand what frustration means, but the only way to put an end to that frustration is to support the sovereignty of Quebec.

A certain amount of Canadians believe that we are sovereignists because we hate Canadians. This is absolutely not true. We love Canadians but love has absolutely nothing to do with politics. I love my father very much; that is love. However I would never let my father run my business; that is politics.

I have worked everywhere in Canada: Edmonton, Toronto, southern Ontario, Regina, Saskatchewan and Saint John, New Brunswick. I have also worked in the United States: Texas, Florida, West Point and New York. I fully agree with the Prime Minister of Canada. If I were an immigrant from anywhere in the world trying to find a new country in which to live, Canada would be my first choice. However I am not an immigrant trying to find a new country in which to live. I already have a country. My country is Quebec.

[*Translation*]

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, I am very pleased to rise today to speak on the motion put forward by my colleague, the hon. member for Timiskaming—French River, which urges the government to consider implementing incentives to promote mining exploration and development in Canada.

Canada extends over some 10 million square kilometres and is one of the richest countries in the world in terms of natural resources. Its mining industry was ranked amongst the best in the world in many areas of mineral production. Mining has always played a major role in the Canadian economy, which is hardly surprising, since Canada is one of the biggest producers and exporters of non–fuel mineral resources.

Statistics for 1992 show that the non–fuel mineral resource industry accounted for a little over 4 per cent of the Gross Domestic Product and almost 3 per cent of employment. Also, these statistics indicate that the total value of the non–fuel mineral resource production for 1992 reach $14.6 billion, which is 41 per cent of overall mineral production in Canada. It is important, also, to remember that Canada produces a little over 60 minerals. Except for phosphorus, manganese, bauxite and chrome, our country can meet its own needs in terms of minerals.

Statistics on exploration also speak volumes. Non–fuel mineral resource exports reached $23 billion, a little over 15 per cent of total exports for Canada. During the same period, the value of our non–fuel mineral resource imports was estimated at $13.2 billion, for a trade surplus of over $9.8 billion. All these statistics reflect the outstanding progress made by the Canadian mining industry.

Technological innovation also has something to do with the boom enjoyed by this industry. However, the industry did not escape from the upheaval caused by the recession during the late 1980s and the early 1990s. Mining was hard hit during this period. But since 1993, it is recovering nicely. All of us in this House recognize that several irritants are still preventing Canada's mining industry from hitting its stride.

• (1800)

This is why I wholeheartedly support the motion put forward by the hon. member for Timiskaming—French River, whom I wish to congratulate for this excellent initiative, especially since my hon. colleague showed, in the eloquent speech he made when he introduced his motion, that he is very much aware of the current codition of federal finances.

[*English*]

This motion has nothing to do with tax breaks, grants, or subsidies. Its only goal is to bring the government to consider measures that would not cost a lot of money to the Canadian taxpayer but will go a long way to ensure a brighter future to the Canadian mining industry and to the mining communities across Canada.

In its report of December 1994 entitled "Lifting Canadian Mining Off the Rocks", the House of Commons Standing Committee on Natural Resources proposed nine recommendations. Some of those recommendations would cost money if implemented, while others would emphasize collaboration and partnership that would alleviate some problems for the industry. Here are some of the recommendations.

Recommendation number three: "That the federal government introduce a mineral exploration incentive by modifying the Income Tax Act to incorporate a change in the adjusted cost base of flow through shares from a value of zero to the actual cost of the shares, that this new fiscal measure incorporate a cap on a given company's take–up of the tax benefit, and that the new incentive vehicle be in place for a maximum duration of five years".

Recommendation number four: "That in order to enhance the effectiveness of exploration work financed by means of flow through shares, the federal government enable the exploration activity funded through such shares to be carried out over a period of one full year after financing".

Recommendation number seven: "That once initial steps have been taken to improve the investment climate in Canadian mining, the federal government, its provincial and territorial counterparts, and the domestic mining industry develop through consultation an integrated approach to communicate the positive features of the Canadian mining sector to potential investors".

In May 1995 the Minister of Natural Resources responded very favourably to the report of the Standing Committee on Natural Resources on mining. She stated: "The Government of Canada remains committed to fostering a modern environmen-

tally responsible mining industry that contributes significantly to Canada's economic growth and job creation. We are committed to ensuring in conjunction with provincial governments and the Canadian mining industry that there is a positive environment for investment in mineral exploration in Canada".

A month earlier in Miami, Florida at the investing in the Americas conference, the Minister of Natural Resources stated in her speech to the conference: "The Government of Canada recognizes the importance of the mining industry, its contribution to economic growth and jobs, and the challenges it faces".

During the last Canadian federal election the Liberal Party of Canada was the only political party to release a detailed policy outlining its commitment to the mining industry. This commitment has not wavered. We are proud of our mining industry and we believe its present and future prospects are excellent.

[*Translation*]

From the statements made by the Minister of Natural Resources, one can only conclude that the federal government is acting in good faith in this matter and, particularly, that it is prepared to help the mining industry, in co–operation with all the other stakeholders.

It even seems fairly clear that our government is already responding to the request made in today's motion, with the intention of keeping government initiatives in the mining industry in line with the present fiscal situation.

This approach was clearly expressed in the response the government gave to the fifth report of the Standing Committee on Natural Resources entitled "Lifting Canadian Mining off the Rocks", which was tabled in the House by the hon. Anne McLellan, Minister of Natural Resources, on May 8, and I quote: "While mining remains a priority of this government, budgetary conditions also require that new ways be sought to deliver quality programs and services at a lower cost. To this end, the federal approach will be to exercise a role that complements that of the provinces and provides a national co–ordination capacity, where required, so that government policies and strategies have the most favourable impact on mining in Canada".

• (1805)

Heads of the mining industry in Canada are quite aware that the federal government cannot do it all on its own and offer a miracle cure for the ills of the mining industry. However, they can count on the federal government's co–operation and total support.

Already in 1994, in its action plan entitled "Building a More Innovative Economy", the federal government had announced its intention to implement a number of measures concerning the regulations governing the climate for investors. Improvements are being considered in the following areas: decisions regarding land use; definition of garbage and recycling; regulatory systems north of the 60th parallel; better evaluation of environmental and economic factors in the review of the impact of new regulations—

The Deputy Speaker: Unfortunately, the member's time has now expired.

[*English*]

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, as a former prospector and mining consultant I am especially pleased at this opportunity to comment on Motion No. 292.

Hon. members should be concerned that after adjusting for inflation, domestic mining exploration expenditures for 1992 valued at $385 million were at the lowest levels since 1967. Despite increases in the past two years, they remain substantially below levels of the $800 million yearly it will take to maintain required reserves.

It is painfully obvious that mineral exploration and therefore the Canadian mining industry is in serious trouble. The question of course is what do we do to correct this sorry fact.

I want to ask my hon. colleagues what they think makes prospectors like myself tramp around in the bush for months on end looking for solid indications that a chunk of northern Ontario muskeg and rock or a Windy Craggy on the mountainside in British Columbia has enough concentration of minerals that it could be developed into an economically viable mine.

Men like me go prospecting in the Canadian bush because we love it. Bad weather and tough living conditions do not stop us. Worried mothers or lonesome housewives do not stop us. Not even the low prices of the minerals we are seeking can stop us, because we know the world needs those minerals and it will only be a matter of time before prices rebound to profitable levels.

Only one thing has stopped me and other prospectors in Canada, the irrational, short sighted, muddle headed, counterproductive, feeble minded policies of the federal Government of Canada: outrageous taxes, conflicting rules, red tape so endless that it routinely takes three years to get environmental approval for a new mine in Canada, compared to six months in countries like Chile and elsewhere else in the world.

Let me spell out some details regarding what I have labelled as outrageous taxes. I want to be perfectly clear that I believe that everybody who is making more than they need to live decently should pay taxes. That includes profitable mining companies. However, Canadian businesses and industry must face a host of taxes that are not based on profit.

One glaring example is tax imposed on gasoline, an absolute necessity for mine exploration. Taxes account for half of our Canadian costs for gasoline. This government recently increased that tax by another half a cent per litre. That is a tax that must be paid regardless of whether a mining company is in full or profitable production or merely struggling to complete its first program of diamond drilling.

By contrast, Mexico, our partner in the North American free trade agreement, is far more realistic about what gas taxes can do to their economy. In Canadian cents per Canadian litre of gasoline during 1994, Canada's base price for gasoline was 26 cents, whereas Mexico's base price was 44.5 cents. Yes, that is right, Mexican gasoline, excluding tax, was nearly 20 cents a litre more than our price. The Mexican government taxes gasoline like the essential commodity it is, rather than following the wrong headed policy of the Canadian government, which zaps consumers and businesses by doubling the price by the time it reaches the gas pump.

• (1810)

The final result for 1994 was that our NAFTA partner had gasoline prices of 48.9 cents a litre versus the Canadian average of 52.2 cents a litre. That is a big difference.

The federal government for the past many years has taxed gasoline like it was champagne in order to pay for high spending federal programs that allow the federal government to meddle in every sector of our economy, including direct grants to businesses and industry, which still cannot make Canadian costs competitive. Compared to our new NAFTA partner, that is the kind of thing I mean when I say that it is the muddle headed contrary federal government policies that have stopped mining exploration in Canada.

Another example of outrageous taxation is the application of the large corporation tax to mining companies that may have only one mine they are struggling to bring into production. Still another tax I believe is wrong taxes the interest on money that mining companies must place in trust to ensure proper clean–up of the environment in the form of mine reclamation funds. When a mine starts up the principal has to raise a fortune in preproduction costs. Part of that cost is setting aside sufficient funds to ensure that the environment is returned to a safe and useable condition when the mine shuts down. Creation of the mine reclamation trust fund is being legislated by the provinces, but the federal government is requiring even single mining operations just getting started to treat the interest from the mine reclamation fund as annual income and to pay tax on it right from the first year. Instead, I believe mine reclamation funds should be treated like an RRSP.

Another way in which the present tax system is unfair to mining development lies in the treatment of shares. I am very much in favour of flow through shares, especially for non–diversified or junior mining companies, which may not have revenue against which they can use the deductions available. It is good to let deductions available at the front end flow through the investor who just buys the shares, but I see no justification for requiring that the adjusted cost base of those same flow-through shares must be regarded as zero, whereas the adjusted cost base for other shares is the actual cost of those shares.

The hon. member from the Bloc Quebecois has looked at the national mining industry, which despite these awful federal policies managed to create $16.34 billion of total mineral production in the year of 1992, $15 billion for 1993, and $16.29 billion for 1994. Even though the hon. member claims he wants to get out of Canada, he is proposing that the federal government introduce a new program of mining incentives to encourage prospectors to return from countries such as Chile, Brazil, Indonesia, and wherever else Canadian prospectors have found government policies they can live with.

The last thing a prospector wants is yet another batch of federal red tape to try to figure out. What is basically wrong with government starting such an incentive program? For one thing, governments cannot predict very accurately when the international price of gold or any other mineral may suddenly climb substantially.

In 1983 the price of gold was $350 U.S. per troy ounce, and mining exploration was relatively flat. In 1985 the Tory government introduced the $100,000 lifetime capital gains deduction. In 1987 gold was selling for $500 U.S. per troy ounce. Throw in the additional government incentives like the mining exploration depletion allowance, and small wonder that in 1987 over $1.2 billion was poured into mining and mineral exploration here in Canada. It went predominantly to precious metals rather than the base metals, which are more essential to our economy.

Who can say whether the policies of flow through shares, the lifetime capital gains deduction, the increased price of gold, or the MEDA program was responsible for the influx of the exploration dollars in the mid–1980s?

Government programs are by their very nature crude tools. Communist countries learned that they cannot entrust management of their economies to some central brain trust. It is far better to make as few government rules as is consistent with ensuring sustainable resource development and generally leave the field of natural resources to provincial jurisdiction.

• (1815)

Another significant factor preventing people from investing in Canada today is our many conflicting rules, especially regarding the environment. The Reform Party believes that environmental concerns must be part of sustainable resource development right from the initial planning stages. We see absolutely no valid reason that federal and provincial regulations should not be harmonized right across Canada. Instead, the present federal Minister of the Environment has scuttled harmonization negotiations with the Council of Canadian Min-

isters of the Environment because she wants to be the star performer instead of merely a member of the chorus.

The 1993 report of the Committee on Competitiveness of the Resource Industries pointed out:

> The applicant has no way of knowing at the onset of the approval process what the regulations will be, the amount of time that the approval process will take, what it will ultimately cost, or what the outcome will finally be.

I definitely agree. It is time for government to get its act together.

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, it is a pleasure to rise this evening and speak in support of Motion No. 292 which was put forward by my colleague, the hon. member for Timiskaming—French River.

The hon. member and I have much in common when it comes to sport shooting and matters pertaining to our great Canadian outdoors. We also share similar views when it comes to mining issues.

I congratulate my government colleague for submitting this motion to the House. Mining is a very important activity in northern Ontario. It is crucial to the economy there as well as in many other areas. Also, the fact that he is representing his constituents' concerns really matters. It should be the first and most important duty for us all.

As a member from southwestern Ontario, home of Canada's largest salt mine, I am pleased to speak in favour of the motion. I too recognize the importance of mining to the Canadian economy. The motion states:

> That, in the opinion of this House, the government should consider implementing a new program of mining incentives which would encourage exploration and development in Canada.

That is certainly consistent with our red book. I refer to the October 15, 1993 mining policy announced by the hon. member for Sudbury, now the Minister of Health:

> The mining industry is a vital part of the Canadian economy. Not only is it the lifeblood of over 150 communities, but it accounts for 330,000 jobs. A Liberal government will offer the leadership needed to ensure a strong future for Canadian mining.

One of the recommendations made in this policy is a direct connection to today's motion. Our policy proposed to undertake a comprehensive review of income tax laws with provincial and territorial governments, industry and other interested parties to ensure that the financial assurance mechanisms are complemented by federal tax policies and to provide policy support to help mining and mineral service industries expand their competitive advantage in foreign markets.

This is an important motion, especially in light of today's condition of the mining industry. It is facing a future of uncertainty. Public policy initiatives are needed to sustain the industry as a world class producer of mineral and metal products and to stimulate investment in mineral exploration and development in Canada.

I speak of an industry which accounts for 2.7 per cent of total national employment, one in which depleting reserves and mine closures outnumber mine openings, one which represents $23.6 billion or 17 per cent of total Canadian exports, and one which contributed $10.8 billion to the mineral trade balance. It is an industry in which the total value of mineral production was $14.6 billion, or $35.4 billion if fuel minerals were added. It is an industry which represents one of the highest industrial wages paid in Canada: $847 per week in some of Canada's most isolated communities.

As a result of these challenges, we need an enhanced commitment from the federal government especially in the area of exploration stimulation which will attract sufficient levels of exploration investment to ensure that the economic growth rate and the level of Canadian mineral reserves will not continue to decline.

Our mining industry is a world leader in technology innovation and information. We must always strive to keep it that way. As members know, mineral exploration and for nearly a decade mineral reserves have been on a decline as the developing world attracts mineral investment away from Canada. They do this through aggressive marketing, joint ventures and legislative and policy changes.

• (1820)

The competitiveness of Canadian mining in the 1990s is plagued by uncertainty. There are disincentives now in the mineral investment climate that are discouraging proper investment levels which are needed to maintain a reserve base.

These factors include mineral taxation, exploration incentives, environmental assessment, land access, aboriginal land claims, mine reclamation deductions and security of mineral tenure. The mineral potential in Canada is as inviting as any other country in the world. However we cannot maintain our position as a world leader among mineral producing nations unless steps are taken to reduce the doubts.

I am sure all members from both sides of the House understand full well the implications of inadequate incentives for primary mineral exploration. Without ample exploration the mineral reserves necessary to replace what is being mined today will not be found. For many reasons, exploration levels have dropped dramatically since the mid–1980s. We all realize there is no quick fix for this problem nor do governments currently have the financial capacity to intervene in a significant way.

Along with an exploration incentive program as called for in the votable motion being debated today, there also must be an overall competitive and supportive investment climate. This will create the proper framework in which mining can thrive and this will in turn promote exploration.

We must work hard to find solutions. We must work hard to keep mining in Canada. While world demand for minerals is increasing, Canada's share of world mineral supply is declining and mining investment capital is leaving Canada for other parts of the world.

The mining industry has worked hard to reduce costs, improve its environmental and safety performance and increase productivity through technological innovation and upgrading of worker skills. Yet today the industry faces its toughest challenge of all to keep mining in Canada.

According to the Mining Association of Canada, in 1992 there were 28 closures or temporary shutdowns of mines compared with only eight openings, meaning a net loss of 5,800 jobs. From 1981 to 1991 there was a decline of nearly 40 per cent in investment levels in the sector. Between 1986 and 1991 Canada failed to attract a single new mining project with a capital cost of more than $250 million. By contrast, Latin America had five. These facts make support of my colleague's motion so important. It centres on the encouragement of exploration. This is crucial.

We know that investing in exploration and development is the only way to ensure a future for mining in Canada but from 1991 to 1992 more than 150 companies worldwide reduced spending on Canadian projects by 30 per cent. In 1987 Canadian companies spent 81 per cent of their exploration budget in Canada. In 1992 that number went down to 61 per cent. In contrast, over $7 billion has been committed to exploration and development in Chile, Mexico, Venezuela, Argentina and Bolivia.

It is ironic that Canada is the biggest foreign investor in mineral exploration in Chile with over 40 Canadian companies involved. The average government approval for a mining operation takes six months in Chile as opposed to three years in Canada. When Chile is admitted to the NAFTA agreement, what chilling effect will this have on Canadian mines?

Earlier in this Parliament, the Standing Committee on Natural Resources conducted extensive hearings with all the stakeholders. The result was nine key recommendations on mining incentives which my colleague from Timiskaming—French River has outlined.

Canada has the resources, skilled workforce, infrastructure and commitment to environment and technology to support a prosperous mining industry today and in the future. But without a strong co–operative effort to keep mining here, this may well be the last generation of miners in Canada. As future mining activities shift to other countries, the decline of Canadian mining would have a devastating impact on over one million Canadians living in mining communities or working in businesses related to the mining industry.

Through this motion, it shows we urgently need a national mining strategy with policies and actions that will reverse current trends. Mining is important to Canada and we must support Motion No. 292. Canada has always counted on its mining industry to be a key foundation for export driven growth.

Today mining is a $20 billion industry in Canada. We must keep it growing and thriving. I am certainly supporting this motion and I urge all hon. members to do the same.

• (1825)

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it is a pleasure to enter the debate on Motion No. 292 in the name of the hon. member for Timiskaming—French River who from time to time is my seatmate. I am sure his constituents in mining communities such as Kirkland Lake, Cobalt and Haileybury are very proud of his initiatives in the House in support of the mining sector.

Over time as Canadians became more involved in the service sector they have forgotten some of their roots that go back in our history over the last 200 or 300 years. The mining sector was a very important part of it.

We all consume goods and products that come out of mining. We are either consumers or work directly in mining or do both. Invariably during the day we consume some products that actually started off in the mining sector.

I will refer to some of the statistics: 4.2 per cent of our GDP is accounted for by the mining sector and 14.6 per cent of Canada's entire export trade is related to the mining sector. It directly employs 327,000 people. These are some of the positive statistics and I will now refer to some negative ones.

From 1991 to 1992, 150 companies in Canada reduced their worldwide expenditures in our mining sector by 30 per cent. There were reductions of expenditures from $430 million to $302 million. In 1987 Canadian companies spent 81 per cent of their exploration budgets in Canada. By 1992 that had declined to only 61 per cent. As the previous member mentioned, ironically Canada and Canadian companies are now the biggest investors in Chile. Over 40 companies are involved.

What is happening to our mining sector? Our own companies are leaving. Why is that? In one word it is taxation in spite of interjections by members of the third party. It was surprising when I heard the hon. member from the third party talk about flow through shares. I have listened to that party constantly talk a flat tax or tax changes which would eliminate flow through

shares. We can see that Reform Party members are basically speaking out of both sides of their mouths at the same time.

Taxation has created confusion. When people are investing in industry, confusion is one thing that forces capital to leave the country. Capital likes certainty and taxation and administration in Canada have created tremendous confusion. With that an outflow of capital has been created.

Mining is a very significant capital intensive industry. Within the industry each job represents $100,000 of investment in capital. Many of the taxes the mining sector faces have nothing to do with income. Once again in spite of the intervention by the member from the third party, many of the taxes relate to provincial jurisdiction and not federal. A more mature attitude would be to realize that tax administration in the mining sector is outdated, outmoded and in dire need of change.

Let me explain some of the taxes so members will understand why the mining sector is having such difficulty. First there is a significant insidious tax, what I would call a capital tax. Many industries in Canada are subjected to it. Basically a capital tax is just that, a tax on the capital invested in a business.

Perhaps that sounds reasonable to some people, but when we take it to the next step we discover that a capital tax also involves a tax on employed capital like bank loans. For instance, the more debt one has, the more taxes one pays With a capital intensive industry like mining clearly this is a very retrogressive tax. The tax is administered by provincial jurisdictions.

I have had some discussions with my colleagues in the Bloc. The problem across the country is that there are all kinds of tax administrations in each province. It is very difficult for a multinational corporation to understand the best place to run a mine based on tax administration in an individual province.

• (1830)

Another aspect that has created great consternation and a great deal of uncertainty in the mining sector has been the whole concept of a resource allowance. Let me try to explain resource allowance in a very short period of time.

The provincial governments levy what are called royalty taxes. Royalty taxes are somewhat closer to a profit type tax because essentially they are oriented on production. There are royalty taxes in the oil and gas sector. There are royalty taxes in the mining sector, basically based on the amount of extraction that takes place.

What the federal government attempts to do is to try to make some kind of recognition that mining companies are subject to these royalty taxes. Some people might ask why not simply allow them as a tax deduction? Some people have suggested that as a way to amend the taxation of mining companies.

The problem we have, and getting back once again to the speaker from the Reform Party, is that each province calculates royalty taxes differently. There is a different administration in British Columbia, Alberta and Saskatchewan. There is a totally different one in Ontario and also in Quebec.

What the federal government attempts to do is develop a formula which will allow some kind of methodology of calculating what would be a uniform royalty tax across all mining sectors. The problem is it has become so unbelievably complicated to calculate what a resource allowance is.

We have had the spectacle of the Gulf case. That company was able to argue effectively under the tax laws for a totally different interpretation of resource allowances than did the federal government. The federal government's bottom line was a loss of over $1 billion worth of tax revenue.

This has created further consternation within the tax administration system and it is continuing to be a problem. Mainly it is a problem because governments cannot sit down together and work things out in a reasonable and harmonious fashion.

That is not the end of the problems of the mining sector. There are all kinds of other non–profit taxes which take place within the mining sector. The hon. member has mentioned gasoline taxes because he basically likes to criticize the federal government, but we also have other forms of taxes, not the least of which is energy taxes.

The mining sector is a huge consumer of electricity. Most of these electrical utilities are administered by provincial administrations. Quite frankly, they have been mismanaged over the years. At one time Canada had a very attractive energy rate making it a cheaper place to undertake mining in North America. That competitive advantage has been lost over the last 20 years through what I consider to be different types of practices and basically mismanaging that resource. As a consequence, our mining sector faces some of the highest energy rates of any mining operation in North America.

This reminds me of a story. I was once in the jungles of Peru, long before I started this job. Somebody said: "Canada is the third largest country in the world geologically, with a small but well educated population. Why is it Canada cannot manage its resources effectively and be a world leader?"

We are seeing how people within governments, no matter what public administration is involved, federal or provincial, are basically out to kill the golden goose.

Another area that is a federal concern is payroll taxes. I do not have to tell most members that the increases in UI rates and

Canada pension plan rates have had a tremendous impact on the mining sector because it is capital intensive and also uses a lot of labour.

• (1835)

I believe the various governments sat down in November 1994 and signed an agreement, the Whitehorse mining initiative. I will read one section of that concerning the area of taxation: "to establish a tax regime that is seen to be simple, pragmatic, fair, including an overall greater reliance on profit–based taxes as opposed to non–profit–related taxes and charges". I think this is a great objective. This agreement has been signed not only by our Minister of Natural Resources but most of the provincial natural resources ministers. The problem is we have a lot of talk but we do not have much action.

I am very supportive of the motion by the member for Timiskaming—French River who has brought this to our attention. I could go on and on about how tax administration should be different. We must move forward quickly to address the concerns of the mining sector.

[*Translation*]

The Deputy Speaker: The hour provided for the consideration of Private Members' Business has now expired.

[*English*]

The order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

INDIAN AFFAIRS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on September 27, days after the standoffs concluded at Gustafsen Lake and Ipperwash, Ontario, I rose in the House to question the minister of Indian affairs about what should happen next. Obviously the issues raised in grievance by those occupying land and the concerns expressed by many who had not been occupying land had not been addressed and the frustration of aboriginal people concerning land was still outstanding.

I continue to believe that the federal government's approach to land claims and self–government, an approach that is slow, confusing and filled with uncertainties, is the first area of concern that needs to be dealt with if the frustrations and anxieties are ever to be reduced. Indian leaders throughout Canada and through the Assembly of First Nations have said for many years that the anger among the people of their communities had to be addressed quickly or it would boil over.

During the second week of September when I called on the minister to get involved in the specifics of Ipperwash and Gustafsen Lake I said the only way to deal with the slow and uncertain nature of how land claim disputes are currently settled was with the understanding and intervention of the federal minister of Indian affairs. Only he has the authority to make the necessary changes. Only he has the jurisdiction to address the issues in a way that will adequately address the problems outlined by so many. Obviously those closest to the issue are the ones who should be consulted first, and those who work in the field must be consulted as well.

It comes as no surprise then to learn that the latest annual report of the Indian claims commission published this summer calls for the development and implementation of a new land claims policy and process. Here is the group caught in the middle between the bands and the government, receiving the applications, hearing and judging the evidence, and presenting the recommendations. Here is a group that does the work saying that it should be replaced, saying the workload is increasing dramatically and the ability of the existing commission to respond is limited, saying it is wrong for the government to have a process in place that allows the federal government to be a judge in claims against itself.

The commission stated: "Everything we have learned as a commission to date indicates that it is imperative to commence the process of reform immediately. It is imperative that an independent claims body be established to perform at least the initial assessment of the validity of First Nations land claims in Canada".

Upon reading the commission's report the editors of the Montreal *Gazette* had this to say: "It is important that aboriginal communities establish a solid land base. From it, economic development and self–government can follow. In its red book of campaign promises the Liberal Party said the current process is simply not working and promised to set up an independent claims commission. It should do so sooner rather than later".

That was my sentiment when I first asked the minister if it was his intention to establish a new process in policy.

That was my intention when I said I did not believe it would be in Canada's best interest to have First Nation's people from all across the country who may have legitimate land claims occupying land and leaving the resolution of those disputes to the local police. Land issues are not police matters. They are matters of critical concern to all Canadians and only the minister can deal with them. Therefore I was disappointed when the minister said he had to consult further. I hope he has now had the time to talk to the chiefs.

Will the government take the first step to relieve the anxieties over the land claims process and establish the new, independent commission called for by the Indian Claims Commission in its 1994–95 annual report?

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, I am pleased to respond to the question raised by the hon. member for The Battlefords—Meadow Lake on September 27 regarding the 1994–95 report of the Indian Claims Commission and its first recommendation which called for the establishment of a new, independent land claims policy and process.

The work the Indian Claims Commission is currently doing in the area of claims is commendable. The minister has the highest respect for this effort.

The Liberal Party of Canada's election platform states:

> A Liberal government will implement major changes to the current approach. A Liberal government will be prepared to create, in co–operation with aboriginal peoples, an independent claims commission to speed up and facilitate the resolution of all claims. The commission would not preclude direct negotiations.

Let me assure the House that the government is committed to building new partnerships with aboriginal peoples based on trust and mutual respect. The resolution of land claims is an important part of this initiative.

The federal government is committed to increasing the rate of land claim settlements. We are seeking innovative ways to resolve the impediments that slow this process. There has been, however, significant progress in resolving claims, including 44 specific claim settlements as well as five comprehensive claim settlements since the government took office.

The minister has invited substantive commentary from First Nations and First Nation organizations on concrete proposals for change and is awaiting further guidance from aboriginal people and others. The government in co–operation with First Nations needs to think through how the claims policies could be overhauled within the climate of restraint that affects us all. The recent report of Justice Hamilton will assist in this regard.

It is important all Canadians understand and respect this process as it benefits all Canadians.

[*Translation*]

The Deputy Speaker: The motion to adjourn the House is deemed to have been adopted. The House stands adjourned until 10 a.m. tomorrow.

(The House adjourned at 6.42 p.m.)

HOUSE OF COMMONS

Thursday, October 5, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PEACEKEEPERS IN FORMER YUGOSLAVIA

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Madam Speaker, allow me first of all to apologize to the representatives from the Bloc Quebecois and the Reform Party for notifying them of this morning's ministerial statement on such short notice. This decision was made only late yesterday. The United Nations will announce a substantial reduction in its forces in the former Yugoslavia, and I thought that a statement should be made here in this House before the UN makes its announcement today.

I should point out that I was under no obligation to make a statement in this House, but I thought that, even on such short notice, the opposition parties, who have always been involved and who have always had the opportunity to express their views on the peacekeeping forces deployed in the former Yugoslavia, would appreciate this opportunity to participate in a parliamentary debate and express for the record their reactions and, I hope, their support for the government's decision.

Allow me to say that the situation in Bosnia has changed considerably in the past few weeks. The UN having concluded that it no longer needs all authorized UNPROFOR contingents, it has asked some contributing countries to reduce their forces and others to withdraw theirs.

These cuts and reassignments will affect some 9,000 soldiers. UNPROFOR strength will drop from 21,000 to 15,000, while the rapid reaction force added to the UN contingent will lose some 3,000 members.

Canadian Forces elements are among those that the UN feels are no longer needed in Bosnia. The details of this decision will be announced today by the Secretary–General of the United Nations.

The Canadian battalion now in Bosnia will therefore not be replaced when its current six month mandate expires in November. A parliamentary debate was held when this battalion was deployed; some members expressed their support for this action while others stated that we should withdraw from the former Yugoslavia. The return of this battalion that will not be replaced should, I presume, satisfy Reform members who told us at the time that we should substantially reduce the number of Canadian troops in Bosnia.

I should, however, point out that Canada will maintain a presence in the region, as Canadian military observers and Canadian personnel at the UN force headquarters will remain in Zagreb and Sarajevo. Canadian troops now assigned to NATO operations in the Adriatic Sea, whose job is to monitor the no–fly zone in Bosnia, will not be affected by this reduction either.

[*English*]

If current efforts to reach a peace agreement are successful the region will enter a new phase. Canada will contribute to reconstruction efforts in the former Yugoslavia. Once a settlement has been reached Canada will be there, if necessary, in the new force with our allies to help implement the peace under the authority of the United Nations and as part of Canada's continuing commitment to Europe.

Canada has been in the former Yugoslavia for three and a half years, since the beginning of peacekeeping in the region. Canadians have served with distinction in land, sea and air operations. We will continue to be involved with 13 military observers and one ship with a crew of 212 personnel. We will be involved in the Sarajevo air bridge with one aircraft and 45 personnel. We will also have six people in the AWACs aircraft and 50 people in headquarters.

I pay tribute to the courage and integrity of thousands of Canadian forces personnel who have served with honour under the Canadian and UN flags. I pay special homage to those who have paid the supreme sacrifice in the service of peace. I express on behalf of all Canadians appreciation to those who will continue to participate in the UN efforts to forge a lasting peace in the area.

[*Translation*]

I wish to thank this House for allowing us to make this short statement, which also gives the opposition parties an opportunity to express their views.

Mr. Jean H. Leroux (Shefford, BQ): Madam Speaker, I am pleased to participate in this debate on Bosnia this morning on behalf of the Bloc Quebecois.

I would like to point out, however, that, as the minister indicated, we received a copy of the ministerial statement only half an hour ago. I think this is unreasonably short notice.

• (1010)

This rather high handed approach speaks volumes about the government's lack of respect for even the most fundamental parliamentary procedures. It is customary in Parliament for the minister to send out a copy of his statement at least one day ahead. This is typical of the foreign affairs minister.

In 1990, this very minister had the gall to claim that federalism acts as a shield to protect individual freedoms. There is cause for concern when we hear this kind of falsehood. It was the Liberal government that did not hesitate to implement the War Measures Act in 1970, using an alleged danger of insurrection in Quebec to trample the rights and freedoms of several hundred Quebecers.

One can rightly be outraged to hear such the remarks from this minister, who told the Bélanger–Campeau commission that abuse of fundamental rights by the government is more likely in countries with a single level of government. This is the same man who made outrageous remarks during a recent trip to New York, drawing a parallel between the former Yugoslavia and the highly democratic process under way in Quebec to achieve sovereignty.

What did the minister mean when he said: "We have not started killing another yet, and I hope that what is going on in the former Yugoslavia will never happen in Canada"? The Minister of Foreign Affairs and the Government of Canada should be ashamed of making such insinuations. This kind of irresponsible behaviour on the part of the minister says a lot about the No side: intolerance, abuse, insults.

At any rate, it is with a feeling of having done our duty that we learned this morning that the Canadian battalion deployed in Bosnia will not be replaced when its mandate ends in November. If the work done by our peacekeepers is starting to pay off, it is precisely because we steadfastly assumed our responsibilities as the official opposition the whole time.

When there was strong pressure to withdraw our troops, abandoning the civilian population over there in a state of destitution and insecurity, as the Reform Party suggested for instance, we, Bloc members, felt that it was our humanitarian duty to stay on location.

As the Leader of the Opposition said as early as January 1994, we had to bear in mind that we had to take on, to the best of our abilities, our fair share of the tasks that arise out of our belief in the democratic values of peace and justice. Today, we can see the concrete result of this. There is every indication that the conflict in Bosnia can be resolved through negotiations instead of violence and massacres. On behalf of the Bloc Quebecois, I wish to pay tribute to the courage and sacrifice of all our military personnel, some of whom gave their lives so that peace could prevail.

[*English*]

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, I make my comments from the national opposition standpoint.

After three and a half years of excellent service our peacekeepers are finally coming home from Bosnia. That is just great. They deserve hearty congratulations for a job well done. During these years our peacekeepers have had to operate under the most difficult of circumstances but they always fulfilled their duties with distinction.

All our troops who have served in the former Yugoslavia have the thanks of the Canadian people and Parliament. To the families of those who were killed in the service of peace, we also pay our deepest respects.

For over a year now the Reform Party has been asking for this day to happen. I refer directly to the statement. I believe there is a coded message in that statement. I draw to the attention of the minister that the last debate in the House occurred on March 29, which was a six–month mandate. That mandate expired at the end of September of this year. Somehow it has been extended to November without consulting the House.

• (1015)

The minister commented that we will be part of a new force. There is no detail of what this new force might be. There is no suggestion of what the criteria might be under which we would participate. There are a lot of questions Canadians are asking. They want the questions answered and the criteria established in the House.

The questions include cost, length of the commitment and whether there is peace to keep. Is there a mandate for our troops when they go? Most important, they want to know if we will be part of the decision making, not like with the former Yugoslavia where the contact group was one thing and we more or less put up our hands and said we would go along with what was decided.

We have to look at the UN and the reforms. I know the minister is interested in that. We have to look at the mismanagement that has occurred and the serious doubts we have about UN missions, Somalia, the former Yugoslavia and now Haiti where there appear to be serious problems in terms of conducting the mandate. We have to establish those criteria.

The government has mismanaged the whole affair. I find it difficult since we received the statement only 15 minutes ago. However the minister has said he is not responsible for that.

The debates in the House have brought serious questions forward. I do not believe they have been heard. This summer during a critical time there was a lack of leadership. The minister was unavailable for comment. The Prime Minister was found in a canoe somewhere and gave some very general comments which I found to be very insulting to me as a parliamentarian and to Canadians.

The Reform Party thanks our troops. We demand from Parliament that it set some criteria before we become the 911 UN call number. We must do it in Parliament and not simply in cabinet. We want to return the confidence of the people of Canada to peacekeeping and to the management and leadership the government should be showing.

Mr. Ouellet: Madam Speaker, I apologize. I forgot to table the letter during my original statement. I should like to table the letter we received from Kofi Annan, the undersecretary general for peacekeeping operations, outlining the decisions of the UN addressed to us. It will be of interest to all parliamentarians.

The Acting Speaker (Mrs. Maheu): Does the minister have unanimous consent to table the letter?

Some hon. members: Agreed.

* * *

INCOME TAX CONVENTIONS IMPLEMENTATION ACT, 1995

Hon. Lawrence MacAulay (for the Minister of Finance) moved for leave to introduce Bill C–105, an act to implement a convention between Canada and the Republic of Latvia, a convention between Canada and the Republic of Estonia, a convention between Canada and the Republic of Trinidad and Tobago and a protocol between Canada and the Republic of Hungary, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

(Motions deemed adopted, bill read the first time and printed.)

* * *

• (1020)

PETITIONS

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36 I wish to present a petition circulating across Canada. It is signed by a number of Canadians from the Oakville, Burlington and Mississauga areas of Ontario.

The petitioners draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home to preschool children, the disabled, the chronically ill or aged.

CFB CALGARY

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, it is my honour and duty to present to the House a petition containing the signatures of 7,953 people, part of a larger petition of nearly 10,000 signatures, mainly from people in the city of Calgary.

These residents are opposed to the closing of CFB Calgary and are increasingly concerned as they learn that the move of CFB Calgary to Edmonton will not save taxpayer dollars. The move is not designed to do so.

The Acting Speaker (Mrs. Maheu): I wish to inform the House that pursuant to Standing Order 33(2), because of the ministerial statement, Government Orders will be extended by 16 minutes.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

WITNESS PROTECTION PROGRAM ACT

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.) moved that Bill C–78, an act to provide for the establishment and operation of a program to enable certain persons to receive protection in relation to certain inquiries, investigations or prosecutions, be read the second time and referred to a committee.

He said: Madam Speaker, I am pleased to open debate on Bill C–78, the witness protection program act, and to ask for its approval on second reading.

The bill creates for the first time a statutory foundation for the Royal Canadian Mounted Police source witness protection

program. I am sure all members realize the importance of witness and source protection. Governments must be able to help ensure the safety and security of persons who assist police and prosecutors in their efforts to crack down on crime.

Experience shows that witnesses or sources who provide evidence or who assist in police investigations at risk of harm to themselves or their families are often among the most effective tools our justice system has against crime, especially organized crime.

The intent of the witness protection program act is to ensure our federal witness protection program offers the best possible protection to potential witnesses and sources.

• (1025)

[*Translation*]

The proposed changes to the act will make the current RCMP source witness protection program—which has been in effect since 1984 as a strictly administrative program—more transparent and more efficient, by providing sound statutory and regulatory authority.

[*English*]

In short, we are creating a witness protection program which for the first time will have a legislative base. This will have the important effect of placing the RCMP source witness protection program more in the public domain.

I know this was a major concern of my colleague, the member for Scarborough West, when he put forward his private member's bill on witness protection. His bill provided a useful basis for discussion of the issues leading to Bill C–78. I again thank him for his efforts.

Under the bill there will now be clear accountability for the operation of the RCMP source witness protection program. While the identities of sources and witnesses will remain secret, the selection criteria, the decision making process and the scope and the extent of the protection to be provided will be transparent and clear. This will help ensure that both applicants who enter the program and the RCMP which operates it have a clear understanding of their respective rights and obligations as well as the extent and scope of the protection to be provided.

[*Translation*]

This should also prevent any misunderstanding between the RCMP and those it seeks to protect. Overall, the changes to the RCMP source witness protection program will meet the needs of police departments, as well as those of witnesses and sources requiring protection.

[*English*]

The proposed changes will ensure clearly defined admission criteria for witnesses, the consistent handling of cases across the country, and the clear setting out of the responsibilities and obligations both of the administrators of the program and of the individuals entering it. The bill will also ensure a more defined management structure within the RCMP for the daily operation of the program, thereby increasing accountability.

Furthermore the bill will ensure a complaints procedure is in place and that the commissioner of the RCMP will submit to the solicitor general an annual report on the operation of the program which then must be tabled in the House.

Provincial and municipal law enforcement agencies will still, as they have done in the past, be able to participate in the RCMP source witness protection program on a cost recovery basis. However the bill is not intended to replace other witness protection programs run by provincial police forces and by some municipal police forces.

In keeping with the government's program of fiscal restraint, the changes to the RCMP source witness protection program arising out of the bill will be funded out of existing resources.

When the government was elected it made a commitment to a safe homes, safe streets agenda. Since taking office we have been honouring that commitment. We have introduced Bill C–45 to bring about an updating of our corrections and parole system. This bill has now been passed by the House and is being studied in the other place.

We have created a system using the Canadian Police Information Centre data banks to help screen out sexual abusers as potential employees and volunteers working with children. We have established also using the CPIC data banks a national flagging system to help provincial crown attorneys to make more frequent and more effective use of the dangerous offender provisions of the Criminal Code as an instrument to protect the public better from dangerous high risk offenders.

• (1030)

We have introduced comprehensive gun control proposals, proposals adopted by the House and under study in the other place. We have created a national crime prevention council. We have passed amendments to the Young Offenders Act. We have passed Bill C–41 to reform the sentencing process. We have passed legislation that would prevent extreme intoxication from being used as a defence to excuse violence and other serious crimes. We have passed legislation that permits a provincial court judge to issue a warrant allowing police to obtain body samples from suspects for forensic DNA analysis.

The Witness Protection Program Act is another important component in our overall effort to improve the safety and security of all Canadians. I urge all hon. members to support Bill C–78. In this respect I thank the hon. Reform Party member for Surrey—White Rock—South Langley when she was solicitor general critic for having expressed her support of the bill. Therefore I look forward to and I ask for similar support from all other members of the House to ensure speedy passage of Bill C–78.

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Madam Speaker, I am pleased to rise on behalf of the official opposition to discuss Bill C–78, which was just tabled by the solicitor general.

It is somewhat surprising that, for all intents and purposes, Bill C–78 is similar to a bill considered by the House on September 26, namely Bill C–206, which introduced by the hon. member for Scarborough West and given first reading on February 1.

Indeed, a comparison of both bills shows that there is very little difference between Bill C–78, which is before us today, and Bill C–206, which has already gone through second reading in this House.

The only changes that I could find, and they are not major, are that compensation of witnesses may be better under bill C–78. Also—and to my mind this is not an improvement—under this bill, the RCMP commissioner will now have to make the necessary arrangements with witnesses, or their counsel, to ensure their protection. Under Bill C–206, as considered on September 26, the solicitor general had the authority to reach agreements with witnesses. That, of course, made it easier, under our parliamentary system, to ensure control of government activities through ministerial accountability.

This, I feel, is an issue which the committee will have to look at again. In terms of the principles involved, there is not much difference between the solicitor general's position and the one which I express on behalf of the official opposition. Nevertheless, we will have to take another look at this issue and decide who should be responsible for the arrangements made. I understand that it can be argued that the RCMP commissioner is ultimately accountable to the solicitor general who, in turn, is accountable to this House, which means that the House will have a say in the process. I will come back to this point.

• (1035)

Before getting into the heart of the matter, I would like to begin by stating that the contribution by the hon. member for Scarborough West, not only in introducing Bill C–206 but also in taking part in all aspects of the work of Parliament, particularly in the justice and legal affairs committee, ought to ensure that he will have the opportunity in the very near future of having his point of view heard on legal issues within that committee.

Now, having made that remark, and having voiced these few reservations, I must, nevertheless, express my pleasure at the care the government has taken with this issue of witness protection. I believe that the government's wishes will result in a change in Canadian law.

We must admit that we lagged considerably behind our American neighbours, who have had witness protection legislation applying to all 50 states of the union for 25 years now. That legislation is is well known by the general public, which is thus aware of its rights.

Here, we do have some legislation in this regard, but it is not as well known and is administered by the RCMP in some cases, by the OPP or the Sûreté du Québec in others, but always sporadically and piecemeal, which does nothing to help the general public understand the system.

In a law–abiding society, I do not believe that we can settle for a piecemeal approach, with decisions depending on the whims of whoever is responsible for policing at a specific time. I feel that instead we need to have legislation that will apply all across Canada and will therefore incorporate in the rules of law those principles we wish to be seen in our public law. This will improve the situation of witnesses, particularly in criminal cases, and more particularly in cases involving serious crimes.

It is my opinion that this will put an end to the application, in a sometimes sequential manner and without any controls, though it was done in good faith, of procedures about which there might be witness confusion as to which policies apply to them. From now on it will be clear, and attorneys will be able to inform witnesses of the protection programs available to them by law. This transparency in application of the law cannot help but be beneficial to the community at large.

As I just pointed out, there should be one set of criteria for everyone, and the public should be aware of those criteria.

Now, how should witness protection be structured and how should it be monitored? Should the courts monitor witness protection or should it be left up to the RCMP commissioner or the minister?

Some will probably argue that monitoring by the courts would involve a certain amount of publicity which may not be desirable in this case, because often the purpose of the witness protection program is to allow the witness, who has put his life on the line many times, to hide behind a new identity so that he can start a new life.

If there is monitoring by the judiciary, every precaution must be taken to avoid undue publicity or releasing names, which could be disastrous and even do the opposite of what the bill introduced by the government is intended to do.

There could, however, be a form of monitoring by Parliament. I have been, and still am, a member of the Sub–Committee on National Security, and I submit that this would probably be the ideal venue for reviewing, either from time to time or on an ongoing basis, as deemed appropriate by the committee, the entire witness protection system and its implementation by the RCMP.

The expertise of the Sub–Committee on National Security—which I would like to see become a standing committee of this House—would ensure that parliamentarians would be able to monitor the actions of the police in this respect, both discreetly and effectively, I would hope.

• (1040)

Those are some of the issues. I hope that in committee we will have an opportunity to hear witnesses, and we may be able to clarify certain points during clause by clause consideration.

In serious cases involving drug trafficking and organized crime, for instance, often the very survival of the witnesses is at stake. Under our legal system, the crown's case is usually based on the testimony of witnesses as opposed to confessions by the accused. That is the whole point of protecting witnesses. There are no spontaneous confessions. We live in a country that respects its citizens. We have reached a level in our civilization where we can treat people with respect. We cannot force people to confess. The crown often has to introduce circumstantial evidence by calling witnesses, and these witnesses must be protected.

The crown never knows, during the bail hearing, the preliminary hearing or, later, the trial—all of which may, or may not be, part of the process—whether it can count on these witnesses at a given time. We have to protect witnesses and we also have to protect the evidence that may be collected at some time or other. The very fact that courts across the country have a huge backlog of cases means that preserving evidence is a serious problem in Canada. Evidence collected at a previous stage may often no longer be valid at a subsequent stage if the witness is nowhere to be found. So, in addition to protecting witnesses, we must also protect the evidence.

The Crown prosecutors' big concern is whether they can keep their witnesses until the time of the trial. They wonder whether the witnesses will answer their questions properly, once on the stand. Time is often the Crown's greatest enemy in a criminal trial. Witnesses' memory is inversely proportional to the length of the proceedings. It is perhaps even directly proportional, that is, it fails as proceedings go on or the risk of failure increases. It is a bit like cigarettes. The risk increases with use.

At the moment, there are no ways to deal with this, since witnesses' memories often fail in criminal cases. People at home can see on TV what happens when witnesses do not want to remember anything or when they cannot remember anything, all the pressure that can be brought to bear on people who want to help in the cause of justice, but are unable to because of constraints imposed on them.

So Bill C–78 will remedy this to some extent. It should not be considered a magic formula, a miracle solution. I am one of those who believe that, in politics, nothing happens magically or gets done immediately, we progress by taking one small step at a time in the right direction. I consider this bill, Bill C–78, one such step and, in using it, we will see what sort of contribution it makes to changing criminal law, protecting witnesses and safeguarding justice in criminal matters.

I also think there are two times, in particular, when witnesses need help. Before the trial, naturally. At that point, witnesses' material security must be looked after, and they must be given effective protection. In some instances, they literally have to be hidden for their own protection—I hope it is with their approval—so they may give proper testimony, which will give a court of law the opportunity to assess the quality of the testimony and decide whether the Crown has presented beyond any reasonable doubt the necessary evidence. We must not forget that, under our system, the burden of proof is on the Crown. And the burden is enormous. The slightest failure in this regard inevitably leads to the acquittal of the accused.

• (1045)

In the case of heinous crimes—I will address drugs and organized crime later—the mere disappearance of witnesses can raise a reasonable doubt. Often, if witnesses, who may or may not show up in court, disappear, the prosecution will simply have to rise and tell the court that they have no evidence to offer. This can only lead to an acquittal since there is no evidence. We must then provide protection for witnesses before the trial.

Protecting witnesses before the trial is not enough, however, we must also protect them after the trial, after the verdict, whether it is a verdict of guilty or not guilty, because there is no guarantee that the testimony of a witness protected under the provisions of Bill C–78 will be enough to convict someone. The bill must allow witness protection authorities to assure witnesses that if they testify at the trial, they will be protected whether the accused is found guilty or not guilty, because witnesses' safety cannot be compromised whatever the verdict.

I mentioned it earlier but it always bears repeating: In some cases, because of our legislation—I am not questioning our Criminal Code in any way—because of the presumption of innocence and the resulting reasonable doubt, there may be an acquittal even if the witness is protected. We must therefore provide for the reintegration of those witnesses who have secured convictions or who have failed to do so through no fault of their own because of the way the evidence was reviewed.

In closing, I wish to express my support for Bill C–78 at second reading and to issue a warning against what we too often see in some courts of law that are probably trying to proceed too quickly. A famous trial recently held in Canada showed us that the prosecution is often much too eager to plea–bargain with some witnesses to get them to testify against their codefendants, an arrangement through which a person pleads guilty to a lesser offence or an offence included in a more serious offence in return for a lighter sentence and a promise to testify against targeted people for whom the prosecution wants stiffer sentences.

In some cases, this practice is quite commendable; in other cases, it is, in my opinion, quite reprehensible. And I do not think that good judgment can be guaranteed by a bill. I call on the solicitor general, on provincial attorney generals, who must deal with these issues practically every day, to use as much common sense as possible when plea–bargaining with witnesses, many of whom are corrupt, who will testify against codefendants in return for a more lenient sentence. This practice deserves a serious examination. It must be the subject of wide criticism and of a broad national debate.

What do we expect from our judicial system? Our judicial system does not make enough room for victims. We, of course, give the accused all the benefits provided by our laws, by our charter of rights and freedoms. We must, however, give victims in criminal cases the importance they deserve. As we heard several times in the Standing Committee on Justice and Legal Affairs, victims of crime very often feel left out. A crime has been committed but the victims are the least of our concerns. It is all well and good to be concerned about witness protection. I nonetheless think that people who have lost a loved one—be it a spouse, a child, a friend or a relative—to murder are entitled to some compassion.

• (1050)

On these words, I will ask the government to provide protection, to provide much greater compensation for victims.

[*English*]

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, I believe I have 40 minutes. If so, I will be sharing my time with the member for Fraser Valley West.

The Acting Speaker (Mrs. Maheu): Does the hon. member have unanimous consent of the House to share his 40 minutes as first speaker?

Some hon. members: Agreed.

Mr. Thompson: Madam Speaker, at the outset I congratulate the member for Scarborough West for initiating this topic through his private member's bill. It needed to be done and it brought the attention of the government to the fact there was a shortfall in our system regarding the protection of witnesses.

It is unfortunate that such members are no longer part of the justice committee. He is a member who contributed much, who understood much about legislation and who was able to formulate this kind of initiative. I am sure he would be able to do more in the future. However, since he does not co–operate with his Liberal caucus when voting on some bills, he will no longer be serving on the justice committee. It is a shame that we have that situation in Canada, but unfortunately that is the way it will be with the Liberal government. However I am sure the hon. colleague will be contributing as much as possible in the future along these lines.

We must protect our witnesses if we are to combat crime. I do not think anyone would deny that. The colleague from the Bloc mentioned the words common sense, which are the two key words. We must protect our witnesses and we must do it in a common sense manner. We have to take many things into consideration when we are doing it.

We all know the importance of witnesses when it comes to fighting crime. It is much easier when we have good witnesses to help put away criminals that need to be put away. We also know it is foolish to enter into any kind of special agreement with individuals. We only need to look to the latest court case involving Mr. Bernardo and Ms. Homolka. Providing for and doing what we did for the witness, Karla Homolka, in that case was a criminal act in itself. We need to be cautious when doing these kinds of activities, which could make it very possible that someone who is guilty of an offence would be let off the hook under a protection act for witnesses. We need to be careful about that.

There are a lot of crazies out there in the world who are in it for the dollars. They are willing to eliminate witnesses. We know they are out there. We know we have some in the prisons today. I talked to one inmate not too long ago in British Columbia who was there for eliminating a couple of witnesses; he was a paid hit man. We know there are more of them out there. We know that organized crime is becoming more and more active with the bombings that we see going on throughout Montreal and other parts of the country and with the smuggling that is taking place only an hour's drive from here, which occurs on a regular basis. When we know that kind of organized crime is active then we have to be very careful when we bring forward witnesses that may crunch organized crime. We certainly must have some kind of protection in place, because the criminals would be willing to eliminate the witnesses rather quickly to protect the huge industry that exists.

• (1055)

It is unfortunate that we have a government, a solicitor general and a minister of justice who sit back and watch these kinds of activities go on and do not seem willing to get involved or do much about them. It is a shame when we pick up the paper and read about bombings taking place in Canada by terrorists, thugs and organized criminals, and we have a government that sits back and the best it can come up with is that it is a provincial matter and we should not get involved. It is a very poor attitude

and a real lack of intestinal fortitude when it comes to saying that we will take the bull by the horns and make our streets and our communities safer.

It is unfortunate the solicitor general alluded in his speech to all the wonderful things the Liberal government has done through Bills C–45, C–41, C–37 and C–68, to name a few. That just is not so. The House knows and all the people across Canada know that a number of things were attempted with the particular bills to make them better, to put the victim first. We also know that in every instance when there was a motion put forward in Bill C–45, which was simply geared to making things better for the victims of our country, the government turned them down and did not vote for one of them, not one.

It is silly for the minister to stand in his place to try to convince Canadians that he is doing a wonderful job when he turns down such things as mandatory restitution and then says that mandatory restitution is taken care of in Bill C–41. That is just not so.

The government is saying that it is up to a judge: if the judge wants to order it then he can do so and then things will take place and the restitution will happen. That just is not the case. We know that judges today can tell people that they will have to make restitution, but it does not mean anything. There is no enforcement. We cannot get blood out of a rock.

When we suggest that we will take part of the money we will pay them when they are in the penitentiary to put to the use of victims it is turned down. I guess it makes too much sense. It is something Canadians want.

Governments in the past 30 years are used to passing all kinds of legislation: if the people want it, do not do it, and if the people do not want it then make sure we do it. GST and all these other things apply to that.

It is unfortunate that during his speech the solicitor general alluded to the fact that these other bills were contributing to the safety of Canadians. He mentioned Bill C–37, the improvements to the Young Offenders Act. If Bill C–37 was such a wonderful improvement, I wonder if someone on the other side of the House could tell me why the Minister of Justice asked the members of the justice committee to put on their parachutes and fly around the country. They are flying all over Canada and are asking people once again what they would like to do with young offenders. They are spending lots of money going through a process that is totally unnecessary.

If we put each member on the justice committee on a street corner in any city to talk to the grassroots, the people who are closest to these crimes, about what should be done with the Young Offenders Act, I am quite certain they would get an answer. For a fact thousands and thousands of letters have been received from across the country telling the minister and others what to do with the Young Offenders Act. We have had petitions galore, with millions of signatures suggesting that we get rid of the Young Offenders Act or fix it. It has been ignored. Bill C–37 did not address that.

The government went through the process of getting Bill C–37 passed and then it turned around and sent the justice committee across the country to ask people what to do about young offenders.

To stand in the House and say "we did it, we got Bill C–37, aren't we wonderful" is just a bunch of baloney. I am really tired of hearing people in the House saying what a wonderful job the government is doing in fighting crime and keeping its red book commitment. That is not so. There is so much more the government could do but it does not dare.

• (1100)

I will admit that Bill C–78 makes total sense. It is something Canadians want. I congratulate the government for at least bringing forward one bill that will protect the right individuals, potential victims and witnesses rather than criminals.

The rights of criminals have always been up front, first and foremost. That has been the biggest worry for the government over the past 30 years, particularly in the last few years since the charter of rights has come into being. It must protect the criminal. There seems to be such a terrible amount of emphasis on that. It becomes really sickening. With Bill C–78 I say that at last we have something concrete and will protect the right people.

I should like to put a proposal to the government. When it is doing legislation in the future, the first thing to be written down in the legislation should be the word victim, the law–abiding people, the ones we need to look after. They are the most important people and criminals should be put somewhere else. Yes, nobody denies that we should look after the basic rights of the criminal. But, for crying out loud, we must remember the victims and do what can be done in all legislation to protect them.

Liberals stand in the House to tell us about the wonderful gun legislation. Somebody tell me what kind of balance is 17 pages which address the criminal versus 160 pages which go after law–abiding people. The document is so thick we cannot carry more than three or four. It is so expensive that we cannot order very many for our constituents to look at because of the cost. That document is full of regulations and all kinds of things law–abiding people are expected to do.

In the meantime there are individuals running around the country who are armed better than most military units. I see nothing being done about the real problems, but I constantly see all kinds of legislation coming forward that is not doing what it could for victims and law–abiding people. Instead the government concentrates on making certain that things are done right according to the charter so that the criminals are forever looked after. Canadians are getting tired of it.

I will conclude and turn it over to my colleague for Fraser Valley West by saying that Bill C–78 is the kind of bill we are most happy to support. I thank the government for bringing it forward. Once again, I thank my colleague for Scarborough West, the initiator of the whole idea. I hope we will see more legislation that says victims come first and not the criminals.

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, it is a pleasure to speak on Bill C–78 today. As my colleague for Wild Rose said, it is one of the few pieces of legislation we have seen in the criminal justice system today from the Liberal government which actually directly and successfully address a concern we have in our society, the protection of witnesses.

The protection of witnesses is actually quite an informal program today managed by the RCMP. Certainly there is no overriding national program that looks after the interests of the victim.

Regardless of what the government says, it is necessary to take the country back from the criminal element. Time and time again I hear that crime is not on the increase. I would denounce that theory of the government. We only have to stand in a circle of friends anywhere in the country and ask who has been the victim of a crime. I am not just talking about serious sexual crimes or the high profile crimes we see in Vancouver, Toronto and so on. I am talking about major everyday crime: break and enters, stolen vehicles and so on.

• (1105)

We have to somehow get to the nub of the issue. We have to get back to punishment for disobeying laws. That includes actually getting the criminal incarcerated.

A victims protection act gives confidence to those out there who are intimidated by the process. It gives them some confidence of protection. I can think of several instances in my community which I have been involved with where intimidation was a very large part of an exercise of the criminal.

I can think of a lady named Joan who was sexually assaulted by a pretty hardened individual who had spent more time on the inside than on the outside. He has been in and out of parole board hearings. Every time he gets out he commits another crime and goes back in.

This time good old Karel sexually assaulted Joan with a weapon. The weapon was a needle with cocaine in it. Joan was 63 years old. All through the process, through the court hearings and so on when I was there with Joan, the individual was intimidating her by way of looks and other things that were done. The intimidation was there.

Not only did it happen in the courtroom but subsequent to his incarceration when he was in Vancouver remand waiting for his little trip to the regional psychiatric centre, good old Karel started to send threatening letters to Joan. It just brought home to me very clearly why witnesses need protection. Joan had no one to look after her.

We finally got the letters stopped. Imagine, he was in Vancouver remand for such a horrendous crime and used stamps paid for by the taxpayer to threaten the very person he attacked. That is the kind of thing going on.

Hopefully Bill C–78 will do something about those sorts of things. There are other people who need protection. Joan was not only a witness but was a victim at the same time. There are people who see things today and are just plain afraid to take that step forward because of the intimidation.

Along with my colleague from Wild Rose, I spent some time yesterday with the mayor of Cornwall who has some serious problems in that community. There are serious criminal activities. He is a pretty sure and very responsible individual. I am certain that with the intimidation he has been under, the threats and so on, there are times that people like him who want to stand up for their community and provide public service but are being threatened by gangs and organized crime need formal protection.

The mayor of Cornwall and other brave individuals who are willing to stand up and be counted and people who witness the crimes that are going on down there right off the reserves need the protection. They need the confidence they will get the protection.

The witness protection program will strengthen the existing RCMP source witness protection program. Hopefully the process will be formalized so that both the witness and the RCMP know and understand it. It is a loose program today. People do not understand their rights.

• (1110)

Victims rights do not discontinue with such things as witness protection programs. There are all kinds of other things which also need attention as far as victims rights go. There will be a victims rights bill in the House of Commons this year. Within that bill there are things that have to be addressed.

For instance, victims should have the right to give oral and written statements at parole board hearings. Today they are at times allowed a written statement but in many cases the statements are vetted. I have seen victims' statements in sentencing hearings of murder cases. I am not a lawyer but I attend these cases when my riding is involved. I was at one where the victim's statement was actually vetted which is wrong. The

Liberal government has to understand that victims should have the right to have oral and written statements put forward.

There are other things about the criminal justice system that have just got to be said. It is about the intimidation of witnesses. I am looking here at a document produced by a colleague on the government side concerning judicial review decisions of people who were sentenced to death. That sentence was revoked and put into the current life sentence, which is 25 years, and now under section 745 the sentencing decision is being reduced further. That is appalling. It is truly appalling to be reducing these sentences.

Let me give two examples in which I was involved. Dwight Lucas was sentenced to 20 years for a non–capital murder. That was reduced to 16 years. An individual from Quebec has had his 25–year sentence for killing a police officer reduced to 15 years. At the time of the killing the individual would have been put to death but they said: "No, we will make it 25 years". Now, after time has gone by, the individual's sentence has been reduced to 15 years. That is wrong. These people are out on the streets and ultimately, when other crimes are committed, witnesses are going to need protection against the very people we are letting out who should not have been let out in the first place.

The thinking over there is truly convoluted. It does not wash with the greater portion of people. The government thinks it is right. What is it going to take to convince the Liberal government that its laws in the criminal justice system are just too liberal?

It will take a removal of the government in the next election. For those folk who are listening, it will come down to some very specific issues in the next election: the economy, the criminal justice system and just how democratic or undemocratic the process in the House of Commons actually is.

Mr. Thompson: The pensions.

Mr. White (Fraser Valley West): The MPs pensions, my colleague from Wild Rose said. That will always be an issue. Since he has mentioned it, I did wear my piggy tie for those who are still involved in the MPs pension plan, just so people would notice. I had not thought of that until they raised it.

• (1115)

There are times when we have to use a crook to catch a crook and we have to use the information they have as witnesses. Yes, unfortunately some of those individuals get off from their crimes and some of those people have to be under a witness protection act. I suppose the end justifies the means in that case. However there are a lot more people out there today witnessing crimes who are just too intimidated to do anything about it. All I ask is that the Liberal government follow through with a thorough witness protection act and regulations that are well meaning and protect the witness.

We do not need rhetoric such as we heard on the Young Offenders Act when government members said they had made great changes. They did not. We do not need rhetoric like that. We need to do Bill C–78 right. We need to protect the good people who want to come forward.

Members opposite are enjoying this. They say that they do things right. If they are doing things so right, why are there so many victims? If they are doing things right, why are there so many complaints about the Young Offenders Act, which was absolutely boggled by the Liberal government? If they are absolutely right about what they are doing, why is it that down in Cornwall the government does not have the courage of its convictions to go on to the reserve and end the crime wave? Why is that? If they are doing things right, why is that? That kept them quiet for a moment.

What is wrong is the government is very long on rhetoric and very short on dealing with the actual problems. It does not have the courage to go on to the reservations to deal with the crime rate. Meanwhile the people off reserve are suffering from the crime wave. Where do they think the drugs are coming from that are in the schools in Cornwall? They know where they are coming from. Where do they think the guns are coming from?

This is not something we dreamed up. We were down there listening. The government is not listening. It should get up the courage to go on to some of the reservations and deal with organized crime. That the government is doing something is hogwash. It is doing nothing.

I am glad we had this little chat, but it is more than a little chat members opposite need. People who are listening to this debate will understand that there is a big difference between being long on rhetoric and short on action. This will haunt the Liberal Party in the next election. The treatment that victims are getting today from government legislation is abysmal. That is why there are groups like Victims of Violence, CRY and CAVEAT. They are springing up all across the country. They know that the legislation the government puts through is wrong.

I have a few notes about Bill C–45.

• (1120)

The Acting Speaker (Mrs. Maheu): I remind the member we are discussing Bill C–78.

Mr. White (Fraser Valley West): Madam Speaker, I got carried away, because none of the bills they have put forward so far are any good. I am surprised that Bill C–78 is something I can agree with.

When we talk about compensation for crimes, the government comes up with things like 30 per cent of their income for room and board. What the government does not come up with is what kind of income they are getting. Government members say it is $5.61 a day, but they discount the fact that they get GST rebates, old age pension, CPP and the guaranteed income supplement. They discount that.

There is nothing more that can be said. I would agree with Bill C–78, but the Young Offenders Act, Bill C–45, Bill C–41 and all these other acts are abysmally poor. We cannot deal with the problems in the criminal justice system by dealing with one Bill C–78, which is only a small portion of what is needed, and by working in a very poor fashion on the other bills. They should not take credit for something until they do it 100 per cent right, not 3 per cent right.

What more can we say? The only way to get through their thick heads is to replace them, and that we will do in the next election.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I rise to participate in the debate following the remarks of the hon. member for Fraser Valley West. I will try to draw the debate back to the bill before us, instead of the scatter gun treatment we have had all over the place on all the other legislation the hon. member says he does not like. When he gets a good bill he does not know what to say; he is almost tongue tied. I sympathize with him, but I want to address my remarks to Bill C–78, the witness protection program act, which is the one we are debating in the House of Commons today.

The purpose of Bill C–78 is to establish a solid legislative and regulatory basis for the RCMP source witness protection program. This is necessary to ensure that our national witness protection program offers the best protection possible to potential sources and witnesses. Given the importance of the program and the fact that we are strengthening it and making it more open and accountable, it would be useful to provide the House with a brief historical overview of the RCMP source witness protection program and some background that went into the development of the witness protection program act.

I am sorry the hon. members find this so amusing. I do not think it is.

Historically witness protection programs are most closely associated with the investigation of organized crime. The term organized crime covers a broad range of criminal activity, including large scale drug trafficking, murder, serious assault, money laundering, extortion and robbery.

I wish hon. members would restrain themselves. They seem to treat serious legislation as a joke. The hon. member for Fraser Valley West in his remarks did not talk about the bill, and I did not find his remarks amusing.

The hon. member says that the speech was written for me. I am assisting the solicitor general in my capacity as his parliamentary secretary today. I am trying to impart information to the House concerning the bill so that hon. members perhaps will make more enlightened comments later. I wish the hon. member for Fraser Valley West had not split his time. He could have made his remarks after mine and would have benefited from listening.

As often as not, the crimes committed by these organized groups go hand in hand with the use of fear and intimidation to ensure the silence of potential witnesses and informants.

• (1125)

Using a broad definition of organized crime, it can be said that at the present time approximately 50 per cent of RCMP source witness protection program cases deal with organized crime. However witness protection today has a broader application. The disturbing trend in recent years has been the use of fear and intimidation by lone criminals. These people are willing to go to any lengths to avoid conviction or to extract retribution from witnesses. As a result a growing number of people need protection as a result of their role in cases that have nothing to do with organized crime.

To deal with the growing need for witness and source protection, and in response to increased enforcement priority placed on fighting major national and international drug trafficking organizations, the RCMP source witness protection program was started in 1984. Although originally intended for the use of the RCMP alone, the program now provides protective services to provincial and municipal police forces across Canada. While many police forces rely entirely on the RCMP for witness protection services, some of the larger police departments have formed their own witness protection units. These larger police services usually come to the RCMP for assistance in cases where federal help is needed to facilitate a change of identity for a witness or an informant.

Most people entering the RCMP source witness protection program in the mid–1980s were associated with major drug trafficking activities. However, as I mentioned a moment ago, this has changed of late. Today a growing proportion of people entering the program have been involved in Criminal Code offences such as murder and serious assault. Since starting the source witness protection program the RCMP has built up an infrastructure of experienced members and contacts. RCMP members are available in every province and territory to support witness relocations and protection, to obtain secure identity changes, and to help obtain the necessary provincial documents to authenticate those changes.

At headquarters in Ottawa RCMP members have developed national RCMP witness protection policy procedures and contacts to facilitate the changes that must be made within numerous federal government data banks when a witness or an informant receives a new identity.

The annual cost of the RCMP witness protection program is $3.4 million. As my learned friend, the solicitor general, has already pointed out, no additional costs are expected as a result of the legislation. The average cost per case is $30,000 and approximately 60 per cent of cases cost less than $20,000.

At any given time there are approximately 80 to 100 people, including family members, in the program. The success of the RCMP source witness protection program speaks for itself. Of the large number of witnesses, informants and their families who have been relocated since the program began, none has come to any harm. It is difficult to establish precise conviction statistics for cases involving protected witnesses. However, based on available data, approximately 85 per cent to 90 per cent of cases involving witness protection result in convictions, usually because of the testimony of the protected person.

From my brief remarks I am sure the hon. members can appreciate how important the witness source protection program is as a law enforcement tool. There is no more devastating evidence than the firsthand testimony of a trusted accomplice exposing the inner workings of a criminal organization or that of a witness who has seen a serious crime take place and can identify the perpetrators. Whether a witness or an informant, these individuals are invaluable assets of the police and the judicial system.

[*Translation*]

That is why it is our responsibility, as legislators, to do everything possible to ensure that our national witness protection program is as efficient and effective as it can be. It is for this purpose that the government is introducing this bill.

• (1130)

The proposed legislation was drafted in consultation with all major stakeholders and after all issues had been thoroughly examined. In my view, it is particularly important to point out that police forces across the country were consulted. In 1992, a questionnaire was sent out to about 400 municipal and provincial police forces in the country.

Our goal was to assess how much protection witnesses were afforded, determine the types of offences being committed and the nature of the protection provided, examine the problems facing service users and recommend improvements. We also conducted a comprehensive review of witness protection programs in place in other countries, particularly the U.S., United Kingdom and Australia.

Bill C–78 incorporates the results of the analysis performed on the data collected and the lessons drawn from this extensive research. In short, this bill is the result of many years of research and effort and it will ensure that our national witness protection program remains modern and effective. Under the provisions of the bill, our program will continue to provide safe and effective support to witnesses under protection while at the same time remaining open and transparent.

Witness protection in itself will not check violent crime or organized crime. But it is nonetheless a major element of the investigative techniques available to law enforcement officials and a tool very useful to police in fighting against organized crime and major criminal activity in Canada. We must therefore make sure that it remains such a tool.

The solicitor general has already given the House the broad outlines of the bill and proposed changes to the RCMP's sources–witness protection program. All hon. members will agree that the need for such changes is crystal–clear. In conlusion then, I would like to echo the closing remarks made by the solicitor general and urge all hon. members to ensure the speedy passage of Bill C–78.

[*English*]

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Madam Speaker, I am pleased to have the opportunity to speak on Bill C–78. I sought the opportunity because over the past 15 years I have been active as a lawyer in the criminal justice system. As a lawyer I have worked with witnesses in court, as a defence counsel, as a crown prosecutor for the provincial Government of Ontario and as a crown prosecutor for the federal government.

On other occasions I have worked as counsel for witnesses who were involved in witness protection programs. I have had the opportunity to see firsthand what happens to a person, particularly a member of the public, who becomes a witness and to people in the past who became involved in our less formal former witness protection program. I have also seen what happens when a witness is intimidated or when an accused person or a person involved in crime attempts to intimidate a witness.

It is now past the time when we should come forward and set out some clear legislation, some clear rules and clear guidelines and regulations to deal with persons who find themselves in the very delicate and very dangerous position of being a witness and being subject to duress and penalty from those who would seek to quiet them.

Criminals have successfully utilized fear and intimidation of potential witnesses to avoid prosecution and punishment for their criminal acts. Individuals will go to great lengths to avoid conviction or to exact violent retribution from witnesses. We have recognized this. We have worked with this in the system for a long time. We now recognize that enforcement agencies need the support and the assistance of the public to further their investigations and to achieve success in their efforts to bring criminals to justice.

• (1135)

That support would not be forthcoming in the absence of programs designed to ensure the safety of those citizens prepared to get involved by providing information or testifying against criminals.

Witnesses are the ultimate public servants. They are people without whom we could not operate our criminal justice system and without whom we could not bring criminals to the courts and to justice. Witnesses fall into several categories. There are witnesses who are paid to be witnesses and who receive salaries for that, public servants, police officers, investigators at Revenue Canada or at Canada Customs, investigators in various forms of activities that could result in criminal prosecutions. These people are accustomed to dealing with criminals. They also have a role in life that allows them within the system to have the protection of their office and the protection of their job.

On the other end of the spectrum there are ordinary citizens who by coincidence or accident find themselves witnesses to crimes: somebody is walking down the street and they see a bank robber getting away or they witness a car accident in which one of the drivers was criminally negligent or drunk.

Some members of the public become witnesses by virtue of their status as victims of crime. These witnesses by and large come forward and provide a tremendous public service with little concern for their own personal safety as a result of their testimony.

Witnesses who may have been involved with organized crime or other forms of criminal activity and who come forward, as much as they may want to come forward, have their lives affected adversely. These are people who live under threat, people who live in fear of some kind of punishment from those they would seek to accuse or witness against.

There are also witnesses we seek out, we being the government or the agency doing the investigation. These witnesses fall into the general loose category of informants, paid informants or sources. It is an unfortunate fact of life that sometimes we have to go to criminals to bring criminals to justice. Sometimes we have to go to people involved in an activity to have their assistance in bringing to justice the main perpetrators.

The legislation is intended to cover these people and to protect them in the event their lives are in danger. The legislation will cover agents who participate in investigations as well as informants.

The witness protection program act defines a witness as a person who has given or who has agreed to give information or evidence or has agreed to participate in a matter relating to an inquiry or the investigation or prosecution of an offence whose security is at risk as a result. Also included in the definition are persons who may require protection due to their relationship to or association with the people previously mentioned.

We are talking about people who by accident or on purpose become involved in an investigation and who are under duress from those who would be investigated as a result. Protection under the act can include relocation, accommodation, change of identity, counselling, financial support for those people or for any other purpose in order to ensure their security and to facilitate their re–establishment or their becoming self–sufficient. It covers a wide range of services that can be provided.

• (1140)

Not everyone involved in the witness protection program will live a secret existence in the future. They may simply require counselling or assistance to get on with their lives after the trauma of having dealt with this.

We know from previous speakers that the annual cost of the protection program is $3.4 million and that there will be no additional costs as a result of the legislation.

The legislation clearly defines what is expected of the government and what is expected of the witnesses as a result of this program. In the past there has been a problem because our program has been informal and because the program has been allowed to change with particular circumstances.

As a result there have been complaints from those who are protected and from the RCMP which administers the program that people's expectations are not being met and that the RCMP needs assistance in defining how far it can go and what it should do to protect the witness.

The new legislation will ensure a clear defined admission policy for witnesses, consistent treatment of cases across the country, a clear setting out of responsibilities and obligations of administrators of the plan and protectees entering the program, and a more defined management structure within the RCMP for the daily operation of the program, thereby increasing accountability.

This is an important section. I recall dealing with a witness who was under protection and who was having difficulty within the system making contact with someone to assist her or to give some answers on some information she required. Even as a lawyer it was a bit of a nightmare trying to get through the maze of administration to find someone who could assist her with her problem. The more clearly defined management structure within the RCMP will assist to straighten that out.

A complaints procedure will be in place and the commissioner of the RCMP will submit to the solicitor general an annual report on the operation of the program.

During 1994 and 1995 we have provided protective services to 70 new witnesses, 30 of whom were referred by other agencies. The $3.4 million we are spending annually on the program will not increase as a result of the change in administration but the money will be spent more effectively. It will be spent more clearly on guaranteeing the safety of the witnesses.

It is important for the public to understand and appreciate that the witness protection program operates across the country, but it does not operate in a vacuum. In devising the statute and in setting out the scheme in the act we have consulted all the provinces and territories.

When someone applies for the program or when a decision is made to admit an applicant to the program, the following factors will be taken into consideration: the potential contribution the witness or source can make toward a police investigation; the nature of the offence under investigation; the nature of the risk to the individual; what alternate methods of protection are available; the danger to the community if the individual is admitted to the program; the potential effects on any family arrangements; the likelihood of the individual's being able to adjust; their maturity, their ability to make judgments and other personal characteristics; the cost of maintaining the individual in the program; and other factors the commissioner of the RCMP finds relevant.

It is important that there be a clear, defined decision making process to admit an individual into the program. In serious cases such as those requiring a change of identity or an admission of a foreign applicant, the decision to admit an individual will be made only by the assistant commissioner in charge of the program. A decision to terminate protection must also be made by the assistant commissioner.

This is only part of the Liberal safe streets, safe neighbourhoods program. Obviously we need statutes like this. No matter how much serious crime there is, we know there always will be crime and there always will be a need to protect people.

When we are protecting people we need to be able to say to Canadians we are protecting people worthy of protection, that we are protecting people when there is a serious risk and that we have a clearly defined methodology for doing it. As the economy becomes healthier, as we work toward the creation of jobs and the creation of prosperous communities, we will find there will be less and less violent crime on our streets.

• (1145)

Those who would seek to encourage Canadians to believe that violent crime is increasing at the present time are being disingenuous because we know statistically and from crime reports that is not the case.

The bill is not a response to the fearmongering that exists in certain quarters of society. It is a practical, concrete response to a need to clearly define and assist the criminal justice system in witness protection. It is a practical, pragmatic response to a situation we have been able to identify. It is part of the ongoing Liberal government plan for safe streets and safe communities in Canada.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Madam Speaker, I extend my gratitude to the Solicitor General of Canada for establishing a legislative base for the RCMP's source and witness protection program. I also assure him of my total support.

It is another useful and effective tool for our law enforcement officials. It will reduce crime and make Canada a safer place for everyone.

Our various colleagues in the House have defined the extent and content of the bill. I found the interventions of my colleagues very interesting. I particularly refer to the previous intervention by my colleague from Windsor.

As my hon. colleague and the solicitor general have said, in the past criminals have successfully used fear and intimidation of potential witnesses to avoid prosecution and punishment for their crimes. Enforcement agencies need the support and assistance of the public to further their investigations to successfully bring criminals to justice.

[*Translation*]

The bill under examination today is aimed at improving the RCMP's witness and informant protection program, making it more effective and more open. Its intent is to protect those who assist our police forces in criminal investigations, particularly when organized crime is involved.

It is an acknowledged fact that the contribution of informants and witnesses is often essential in resolving certain criminal investigations. The Quebec Minister of Public Security, for instance, stated only a few days ago that the most effective means of curtailing the war between motorcycle gangs in Quebec is to recruit informants and witnesses. Those who co–operate with law enforcement agencies occasionally place themselves in dangerous positions as far as their personal safety is concerned, and we owe it to them to provide the best possible protection.

In the past, some participants in the old sources and witnesses program have complained that they did not get the benefits they

had been promised. This will not happen any longer, because the changes proposed today will ensure the application of clear and uniform criteria across the country.

[*English*]

The changes proposed by the witness protection program act will help ensure that both the applicants who enter the program and the RCMP which operates it have a clear understanding of their rights and obligations. The legislative initiative defines a range of protective services and benefits that can be provided. It makes the program more transparent and more accountable.

The process of how one gets into the program has been clearly defined.

• (1150)

A decision to admit an applicant to the RCMP SWPP, as it is called, will be based on the following factors: the potential contribution the witness source can make toward a particular police investigation; the nature of the offence under investigation; the nature of the risk to the individual; alternative methods of protection that are available; danger to the community if the individual is admitted to the program; the potential effects on any family relationships; the likelihood of the individual being able to adjust to the program, that is the maturity of that individual, the maturity of their judgment and other personal characteristics, as well as the cost of maintaining the individual in the program; and any other factor the commissioner of the RCMP may deem relevant.

Under the witness protection act there will be a clear decision making process to admit an individual into the program. In serious cases such as those requiring a change of identity or admission of a foreign applicant, the decision to admit an individual can only be made by the assistant commissioner in charge of the program. A decision to terminate protection must also be made by the assistant commissioner. In less serious cases the decision to admit an individual can be taken at the chief superintendent level. There are protections built into the legislation.

I am proud to say that more than any previous administration the government is committed to reducing violence in our society, specifically violence against women and crime motivated by hatred or bias against any of the vulnerable groups, particularly those which are listed in section 15 of the charter.

Violence is not a phenomenon that can be encompassed or dealt with in one big bold stroke. It is a complex problem with multiple causes and multiple effects. It touches all levels of society and all regions of the country. The whole program was worked out with all regions of the country, from the Atlantic to the Pacific to the Arctic, and that includes Quebec in the portrait. That is why the government is taking a comprehensive approach involving several federal departments.

In the past year a whole series of measures have been tabled by ministers, reinforcing our commitment to address the problem of violence. As the solicitor general has said, the government has instituted many new measures to make our homes and our streets safer. Members will recall that in our red book, safe homes and safe streets was one of our major undertakings and a commitment which we have met with great sincerity and alacrity.

I mention a few measures which are extremely important to women: measures against criminal harassment, commonly called the anti–stalking law; the firearms control legislation; the reform of the sentencing process; and the reform of the Young Offenders Act.

[*Translation*]

These widely varying initiatives have one common goal: to reduce violence and crime in our society. That objective is set out clearly in the federal gender equality plan, moreover, prepared under the auspices of the commission on the status of women, reporting to me as secretary of state, and tabled early this summer. Cabinet has been solidly behind this undertaking.

The federal plan also calls for the Canadian government to undertake a comparative analysis by gender of all of these initiatives. A similar endorsement was given at the fourth international congress for women in Beijing. This comparative analysis by gender indicates how policies affect men and women differently. I must say that I see this as an eminently logical undertaking.

In some cases, these differences are central to policy and play a determinant role in its application. In others they have a minor impact and are only one of a series of factors that must be taken into consideration.

[*English*]

In the spirit of the federal plan for gender equality we must ensure that the specific needs of women who qualify are considered in the application of the RCMP sources and witness protection program. We have a tendency to think of the world of criminals and organized crime as a man's world, but that is not entirely true. Unfortunately hundreds of women are in contact with this violent world and many are dreaming of getting out of it, just like the men, if only they could do so safely.

• (1155)

These women could become vital sources of information for police and prosecutors. However they are vulnerable to fear, to intimidation and blackmail. They have to think not only about their own personal safety but in most cases they also have to be concerned with the protection of their children.

Women should know that under section 2 of the witness protection program act, protection may include relocation for themselves and their families, accommodation and change of identity, as well as counselling and financial support. The objective of the program is to ensure the safety and the security

of citizens, women and men, who assist police in their efforts to crack down on criminals. We all know this is a needed program and a needed access to information.

The program will help them to re–establish in a new location and will support them until they become self–sufficient if they fulfil the criteria I outlined earlier in my remarks.

All citizens who contribute to eradicating crime and violence from our society deserve our gratitude and support. We know that crime is on the decrease. Notwithstanding we will always have some individuals in society who will engage in abhorrent behaviour. We will always have those who will act outside the law in their selfish, personal interests. However initiatives such as this one will help to ensure society can be a caring, safe and just.

In some cases contributions that witnesses will bring to the court on very dangerous criminals call for extraordinary courage. We want those citizens who have demonstrated their concern for safety and security in the home, in the marketplace and on our streets to receive the best possible protection. No other program has been so comprehensive or so considerate of the needs of our citizenry. That is why I support the solicitor general's initiative.

I hope that all my colleagues in the House, particularly those who have been expressing their concerns on individual cases, will look at this collective undertaking, support it wholeheartedly and join in ensuring a speedy passage of Bill C–78.

Mr. Geoff Regan (Halifax West, Lib.): Madam Speaker, I am very pleased to speak today on Bill C–78 which is really about public safety. This must be very rewarding for my colleague from Scarborough West considering his diligence in bringing this vital matter to the government's attention. His efforts in this regard are certainly commendable.

The debate on private member's bill last spring and the previous fall showed great evidence of support on both sides of the House for the bill and for what he was trying to do. The debate on Bill C–206 demonstrated there is really a clear need for a legislated protection program for witnesses and sources in criminal cases.

It seems that demonstrated there was a clear desire by members of Parliament for such a program. One of the reasons for the desire and the need for the legislative program is that there have been some problems in the past. For example, at times there have been misunderstandings between the police and a witness or a source about what the agreement was between them, or what the roles of each was and what their responsibilities were. It is important that the bill clarify some of the rights, responsibilities and obligations on both sides in these matters.

In my view the solicitor general is to be commended for responding to an obvious need to bring about changes to the decade old program. Many people may not realize there is a witness protection program within the RCMP that has been active and operating for quite a few years. Also many programs are operated by municipal and provincial police forces across the country.

• (1200)

The solicitor general is to be commended for responding to the obvious need to bring about changes to this decade old program. We see his response today in Bill C–78, which is now before us. The bill is really another plank in the government's efforts to deal with crime.

I will give some examples of how we have dealt with crime in various ways over the past couple of years. There have been amendments to the Young Offenders Act. I am looking forward to attending a forum in my area in Dartmouth next Thursday, where we will be discussing youth issues and issues related to the Young Offenders Act. It is being put on by CBC radio and I am looking forward to attending to discuss some of the issues arising out of past amendments and concerns of the public about the Young Offenders Act.

We have also had Bill C–45, which provided for reform of the corrections process and issues of conditional release. We all recognize that we had very speedy passage of the bill to provide for the use of DNA evidence in criminal proceedings.

All these things are planks in the efforts of the government to deal with crime. We are working steadily to fulfil our goal of ensuring that Canadians live in safe homes and safe streets.

Upon passage of Bill C–78 Canadians will have a witness protection program that will serve them well, because it will provide a legislated program that will operate more efficiently, more effectively, but will not cost taxpayers more money. I am sure that in my riding of Halifax West the taxpayers will be in favour of that part of the bill.

The whole area of witness protection is particularly important in places like Nova Scotia, as it is across the country. However in Nova Scotia the area where it will be most often used will be in drug enforcement. Our province is a key offloading area for drugs coming from South America, the Caribbean, and the eastern coast of the United States because of the fact that Nova Scotia is a peninsula with so much coastline and many little coves. This makes it picturesque and beautiful to visit, and I recommend that all members and Canadians who are interested should visit us and see our beautiful province. However it also provides an opportunity for drug smugglers to offload their product because it is difficult to detect them and difficult for the RCMP or other police forces to cover all those inlets and bays.

The witness protection program is also used in areas of crime, including homicides and prostitution, which are also of great concern. If we can help in those investigations and the prosecution of cases of that nature with the bill, it is certainly worth pursuing.

I checked with one of the local RCMP offices in my riding and I was told that the existing witness protection program had been used there about 25 times in the past 20 years. Obviously it is not used constantly, but it provides a very important tool for police in investigation and prosecution for criminal offences.

It seems to me that in the future those who must turn to the witness protection program, like the approximately 70 Canadians who did so last year, will benefit from a number of programs provided by the bill. I believe members would agree that all Canadians would benefit from the improvements.

In many respects we are talking about trying to fight organized crime. Yes, there other kinds of crime involved, individual crimes. We can readily see how the witness protection program can deal with problems of organized crime. With that kind of an organized group there is much more need for witness protection.

In that sense one of the best ways to fight organized crime is with information that sources and witnesses can provide if they do not feel they are at risk of being killed, injured or maimed if they give evidence or assist the police in some other way. The bill is important in all those respects.

• (1205)

Another key element of the bill will be a clearly defined admission process and criteria so that not just anybody can qualify under the program. It is very clear from the RCMP or other police forces that want to make use of the RCMP program what the rules are, what the procedures are, and who can be admitted and how. This is very important.

The RCMP has a responsibility after the bill becomes law to thoroughly examine the applicant's suitability for the program in a variety of ways. That means not only the potential contribution the applicant can make toward an investigation, but the RCMP will also look closely at the individual, at the risk involved to that individual, what might be the risk of danger or harm coming to him, the impact on the person or his or her family, as well as the ability of the individual to adjust to the program. I suppose that could be a problem in some cases, depending on the kind of individual being dealt with. All those factors are obviously important in determining who should be admitted to the program.

Interestingly the protection of witnesses and sources does not mean just relocation, as we assume, and change of identity. It also means counselling or other kinds of support. I turn to the bill for a moment to read to the House the definition of protection in Bill C–78:

> "protection", in respect of a protectee, may include relocation, accommodation and change of identity as well as counselling and financial support for those or any other purposes in order to ensure the security of the protectee or to facilitate the protectee's re–establishment or becoming self–sufficient;

We see there are a variety of kinds of protection that can be provided and are necessary. Under the bill the RCMP is required to look at alternate methods of protection.

We talk about the kind of counselling support that a witness may need or a source may need and we think of prostitution involving children, for instance. While there is a basic need for protection in the sense of protection from violence of the child, there will probably be a need for counselling for a child who has been involved in prostitution and the violence and the intimidation associated with that activity.

We can all recognize how difficult and frightening it has to be for people to come forward who have been a witness or a source and have been involved in some way in a matter of this sort. It has to be terrifying, particularly if they are fearing for their lives and in some cases for their family or someone else who may be close to them. That is why the definition of witness in Bill C–78 includes those who might have evidence or will give evidence in the future, as well as those who might be at risk themselves, for instance their family.

The source witness protection program must, and with Bill C–78 it will, make it easier for people with information that may help investigations to come forward without fear for their own safety and the safety of their families. That to me is key. We are not only talking about the safety of their families, but by extension if we can get them to feel freer about coming forward and being witnesses or sources then it is the safety of all our families we are talking about here. The success of the program and of our crime fighting efforts in general depends on sources and witnesses and the information they can provide. Their safety is of paramount importance, which is why I am so pleased to support the bill.

The bill provides one important item that we do not have at the present and is needed. As we can see in the bill of the member for Scarborough West and the debate around that bill over the past year or so, we need consistency in how each case is dealt with. With the bill every case across the country will be dealt with in a consistent manner, which is a big improvement.

The bill will not replace other witness protection programs that exist across the country. I mentioned that provincial forces and municipal forces have their own programs. They will continue to operate. Those law enforcement agencies will continue to be able to participate in the RCMP source witness protection program, but they will now be able to do so with much more accountability and transparency in the process.

• (1210)

Another important area in the bill solves some potential problems in the present system in the area of accountability and transparency, which we need to have more of in this process. The bill makes the administration of the program much more transparent and accountable. It goes through the commissioner of the RCMP to the minister and to the House of Commons. It provides for clearer lines of authority within the RCMP structure. That makes unquestionably for a more efficient administration.

The commissioner is required to make an annual report on the operation of the program, a full report indicating what kinds of problems they face, what amounts have been paid out, the number of witnesses who have been protected in various ways, and so forth. He must make that report annually to the solicitor general. The solicitor general will then table the annual report before Parliament so that members of the House have the opportunity to scrutinize the report. Therefore it makes the whole system accountable to the House of Commons and through the House of Commons to the public.

The annual reporting requirement will mean that information will be available to members and the public on the cost and the number of people involved in the program. It will be much clearer. It is very important for both parties to the agreements where a witness is being protected that both the witness and the RCMP or other police force have a clear understanding of what the agreement and what the responsibilities and obligations of both parties to the agreement will be.

This will provide for transparency and accountability with regard to the responsibilities and obligations for both the applicants and the RCMP as administrators of the program. These protection agreements and the obligations of applicants and administrators to fulfil these agreements will provide further transparency and accountability to the program.

All these factors lead to public safety. All these factors are providing a greater feeling of security, a greater sense of safety in coming forward for the witness.

If persons have heard about other witnesses in the past who perhaps did not feel they were treated properly, did not feel that the police had lived up to their part of the bargain in protecting a person, they will obviously be less likely to come forward. However, if we can clarify the rules, if we can have clear agreements between the RCMP or another police force and the witness that provide for the rights and obligations of both and what is going to happen for them, we will not have people saying that they did not get treated properly by the police. They can go to the agreement itself and look at what is on paper.

It is kind of like good fences making good neighbours. A good agreement with clearly specified rules on who is to do what provides for a good relationship between the two sides. I think it will add to people feeling freer about coming forward to the system and providing their information.

To review some of the issues we have talked about how in the past criminals have successfully used fear and intimidation to scare witnesses to keep them away from the police so that they will not bring evidence forward. This program is very important, because individuals involved in organized crime will go to great lengths to try to ensure that a witness or a source will not come forward. As I said, it can be a terrifying experience. They can certainly sometimes threaten and exact violent retribution from the witnesses.

Enforcement agencies need the support and assistance of the public. We are talking here about the public in more than one way. We are talking about the individual who is a witness. In some cases when a witness is relocated he or she may require assistance from the public in that regard to find a new location. I am not sure exactly how that would work, but it may require it in some regard. To achieve success in bringing criminals to justice and to further investigations, the police do need that kind of information and they need people to come forward.

• (1215)

The legislation will cover agents who are involved in investigations, not only in the trials but throughout the whole process, which is why I was pleased to see the definitions I mentioned earlier. Not only is the person who has given evidence in the past covered, but so is a person who has agreed to give evidence or information in the future. In any case where because of taking part in some way in an inquiry, investigation or in the prosecution of an offence a person's security may be at risk, the person is covered by the legislation.

I talked about protection and how it can include relocation, accommodation, change of identity, counselling, financial support or any other requirement needed to ensure the security of the protectees as they are called, or to facilitate re–establishment or becoming self–sufficient in a new location with a new identity.

Let us think about a witness who has been totally innocent, has not been involved in crime at all, but happens to be a witness to a serious crime. I am reminded of the movie "Witness" in which a young boy was a witness to a crime and had to be protected. In a case where someone is totally innocent it must be a bewildering experience to be called upon to be a protected witness, fearing for one's life; having to change identity and home; and being away from family and friends. It has to be a very difficult and bewildering experience.

Interestingly the annual cost will not go up as a result of the program and if it goes down that is fine. It is an important program and will vary each year depending on how many people are being protected. The annual cost is $3.4 million. There are no additional costs expected as a result of introducing the legislation. The average cost per case is $30,000 but approximately 60 per cent of cases cost less than $20,000. If that can bring people who are involved in organized crime or other serious crimes to justice then it is well worth the money. I am confident that all Canadians, and certainly those in my riding of Halifax West, would support that and would certainly support the intent of the bill.

The changes proposed in the witness protection program act will give the RCMP's source witness protection program a solid legislative and regulatory basis. This is lacking in the existing program. It is important that we provide it and therefore I urge members to support this important bill.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I am very pleased to have a few moments to speak to Bill C–78, the source witness protection program bill.

There are two or three perspectives I will touch on. My colleagues have touched on most of the technical aspects of the bill and all parties in the House are apparently supporting it. Therefore there is nobody really nibbling at the corners. I am certainly not going to do that. It is a good bill, as has been recognized by colleagues.

There are two or three perspectives that should be brought out in discussion. I want first to pay some tribute to police officers across the country who over the past many years have informally provided protection for witnesses. They have done it in many ways, often not at taxpayers' expense.

This is something that has not been recognized very much in the history of law enforcement in Canada and North America. It was very real over the past decades when no public moneys were formally available to protect witnesses that police officers had to use their cars, their garages, their basements, freebies from the motel outside town, and all kinds of different devices to make sure the witness who was scared to death got a chance to get into the courtroom, give the evidence, get out and survive in the face of great risks. I pay tribute to all those policemen, many of whom were Mounties. This was not confined just to the federal police force but also to provincial and municipal forces across the country.

• (1220)

That history is not written; it is all unwritten. It is anecdotal now to the extent that these policemen and former policemen get a chance to talk about it. It is an unwritten part of our Canadian criminal justice history. I wanted to note it here and pay tribute to the many who made the system work.

Starting in 1984 the Royal Canadian Mounted Police began a witness protection program that provided some kind of framework for witness protection albeit not recognized in statute. That was in the face of the growing threat from organized crime which developed post–war. Also as was mentioned earlier, there were threats from individuals who while they might not have been part of an organized crime group apparently were not prepared to stop at anything in trying to preclude their conviction.

There have been many bad stories in relation to that as part of our criminal justice history but there have also been many good stories. With the growth and public knowledge of the availability of a witness protection program in many parts of the world, there began to be some confusion about what a witness might be entitled to have: a free bus ride, a free taxi ride, a free room or some accommodation, money, protection and a new identity.

Over time the field became more and more confused. It was not so much on the part of the police, as they were simply doing their very best to deliver evidence to the courtroom door for the prosecutors. It was more so for the witnesses who from time to time and place to place became confused about exactly what the protection was composed of.

Some witnesses were more accommodating than others; some wanted more than others. It became more difficult for the police to manage. There might often be cases where when the process was over, the evidence had been given hopefully ending in a successful prosecution, witnesses felt they did not have the protection they thought they were to have. Maybe they made it difficult for the police involved. Maybe they went to the local newspaper, the local media. It became confusing and embarrassing for some. Something had to be done.

The first positive signs I saw in the House was the research and the bill produced by our colleague, the member for Scarborough West. That was quite a credible exercise. A private member's bill was passed in the House at second reading and referred to the justice committee. At about that time the Ministry of the Solicitor General indicated it would want to have a bill similar in nature. Our colleague essentially acquiesced and the solicitor general has presented the bill which apparently has support from all sides of the House.

The last perspective I want to address very briefly is that the bill will help us better manage the safe streets policy the Liberal Party has adopted. It will better manage the costs. The program will be codified. It will probably show up as a cost item in the estimates and the parliamentary authorizations as a specific category rather than being buried as it was in part previously.

The bill will help us better manage what we are doing in the safe streets policy. It will result in better prosecutions. The crown attorneys will know what the infrastructure will be for their witnesses if there has to be a witness protection program extension. It will result in better criminal procedure, a better understanding both on the part of witnesses and the people who manage the witness protection program of what they have to deliver.

• (1225)

It is a three–way street. We have the public that wants to see the benefits of a better managed system. We have the witnesses who need to know what they can expect, who will know what they have the right to ask for and require in terms of protection. It will assist the police better in knowing what the deliverables should be and what the deliverables are, both to the crown which is gathering the evidence and to the witness.

I congratulate both the solicitor general and the hon. member for Scarborough West for their contributions in this regard.

The Deputy Speaker: Before recognizing the hon. member for Scarborough West who has so much history with this issue, would the hon. member find it acceptable, as another member came out of a meeting to speak, to have the hon. member for Dartmouth speak first?

Mr. Wappel: Mr. Speaker, it would be my delight to hear what the hon. member for Dartmouth has to say.

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, I thank my colleague.

This is an important bill, particularly for the hon. member from Scarborough who so kindly gave up his spot for me to speak. I congratulate him on the work he has done in laying the groundwork for this type of legislation.

Many times in the past the legislative procedure and process of the House of Commons have given reason for the public and members of this place to be cynical and sceptical about what it is the backbench can do, what it is independent members can do with respect to setting the legislative agenda. I acknowledge up front the work the hon. member for Scarborough West has done in ensuring this important piece of legislation was put before the House.

It is quite rare for a private member's bill to be debated and actually get beyond the pro forma number of required hours once it is drawn and actually get passed. The fact that the hon. member for Scarborough West got the bill to second reading and caused it to come forward is not only a testament to the way Parliament can work. It is also a personal testament to how the member sticks to it. All members owe him a debt of gratitude.

There are very few times when a piece of government legislation comes forward which is supported by all sides of the House. It appears the legislation is supported by all sides of the House. Perhaps the government and the House leadership on our side will take a close look and find, when legislation comes from the backbenches of either side of this place, that it is better legislation. They might want to free us up a bit more to do that type of job.

In the last number of years I have found that my opinions on justice, law and order have gone from what would have been considered to be a liberal left position to a more realistic, responsive position when it deals with some aspects of the criminal justice system. That has happened over the seven years I have been a member of Parliament because of my interaction with the criminal justice system on behalf of my constituents. I have viewed it from afar and have watched cases unfold. I have dealt with people who have been victims of crime. I have dealt with the law enforcement agencies and people in the judiciary.

• (1230)

As we start to understand that, when we deal with the criminal justice system, just as we have to be flexible in other areas of public policy such as social policy and fiscal matters, we have to be extremely flexible and reasonable when we deal with the criminal justice system.

The system must be responsive to the needs of the community. Clearly the area of witness protection is one of those areas where there was a responsibility, a requirement by government, to come forward and recognize we had to statutize programs that currently existed at the federal level with the RCMP.

I am concerned that sometimes we direct the limited resources we have for law enforcement into areas that simply are not able to deal with the problem in as effective a manner as is required. The area of witness protection has concerned me for a number of years. I will deal with the reasons for that.

In my area, which is not that dissimilar from most urban areas across Canada, there is a lot of urban crime. There are a lot of crimes specifically against children. The hon. member for Scarborough West has been on his feet in the House more times than any other member dealing with some of these issues.

In my riding we have had to suffer through a disproportionate number of our young children from 13 years old to 16 years old being drawn into prostitution. I claim no moral high ground in dealing with these issues, but I am a parent and I represent an area where there are many kids who have been plucked from their turbulent years in puberty and thrown into a world that can only be described as a world of terror. They are plucked out of their schools; they are taken from the downtowns, from the shopping malls, by people who can only be described as the worst criminals in Canadian society. They are pimps that befriend primarily young girls, draw them into a life of crime, of drug addiction and literally sexual slavery. At 14, 15 or 16 years old these children have lost their youth and have been violated in the worst possible ways.

However there has been a problem in the criminal justice system in dealing effectively with that situation. There has been a problem in the judiciary in applying the strictness of fines and of penalties the public demands and that should be applied. There has been a problem in the prosecution because it has been extremely difficult to offer the level of protection to those young girls, the victims of crime, but also the witnesses to crimes that happen to themselves and to others in that circumstance.

They come forward with the certainty that if they give testimony in a court of law against these monsters walking the streets one of two things will happen. Either the criminal justice system would deal with a conviction in such a light manner that 6 months or 12 months later the individual is back out on the street doing the same thing with young kids again, or there would be threats to the personal safety of the individual who came forward as a victim and a witness to the crime as well as threats to their families.

I relate something that happened about three years ago which marked me forever. It was late on a Friday afternoon. There were far too many calls to return and I was tired after a week up here. My secretary said I had to take a phone call.

It was a mother who was more than distraught. She was beaten by a system that could not respond to what she saw as her child's need, a mother despondent because she did not think she could help her child. Her 15–year old daughter had been lured into prostitution at the age of 13. At one point the daughter said she had made the break and she did not want to do that any more. Two days later a van showed up in front of her house with her pimps or the part of the international criminal element that deals with street prostitution of juveniles. They had their buddies and they parked outside.

Within two or three days the daughter told her mother she had to go back to Toronto, back on the street. The mother begged her and beseeched her not to do it. Her child had been raped, abused, beaten and threatened with death. She had seen some of her friends beaten close to death by this criminal element, these monsters, these pimps. Why would she go back to a life like that? She feared for her own personal safety and did not believe the criminal justice system could afford her the protection necessary to put those demons away.

• (1235)

Outside her own personal safety she went back to the street out of the fear for the safety of her family and knowing full well that she might be a statistic, and maybe she is today. I hope not. She did not want her mother to suddenly turn around one morning while she was by herself in her kitchen and be confronted by thugs who would beat and perhaps sexually assault her. That is why that child went back to the street.

About a year later the mother called me and said: "My daughter has called and she cannot stand any more. She has been beaten, tortured, sexually assaulted and she is getting out. She is in Niagara Falls and I want to bring her home. We have to get her out of there. She has broken away from her pimp and I cannot get anybody to help".

I thought of my 11–year old daughter and my God, I hope that if I am ever in a situation like that somebody would at least do their best to take my child out of that danger.

It took a lot of phone calls, a lot more than it should have taken, before I could get somebody to act. The child was turning 16 on a Monday of a long weekend and the law enforcement agency said: "We can bring her back but what do we do with her? Where do we put her? These people will be back. Is she prepared to testify? If she is not, what do we do with her?" I spent until 11 p.m. that night trying to find a safe haven for that victim of crime and potential witness against the perpetrators of the crime.

The bill begins to address some of the real issues facing law enforcement agencies, the judicial system and certainly facing the victims of crime and individuals who can come forward and give testimony in a court of law, knowing full well that if they do there are resources and programs available by statute that will assist in their protection and that of their families.

Every year we spend a lot of money to put somebody in jail. We spend a lot of money when we have to send law enforcement agencies and police officers to pursue criminals. We must put money into a program that will say to witnesses that if they come forward and tell their stories, we will do our very best in a very regulated statutory fashion with a program that has financing to protect them and their families against intimidation or, God forbid, physical violence or even death.

In my riding a young lady involved in prostitution broke away and wanted to stop. She wanted the people who had stolen her life to be dealt with by the criminal justice system. She was to give evidence against a gang of criminals operating right across Canada and in the northeastern U.S. She was to testify. A strong message to all those other victims of that type of crime was sent when she was found murdered before the testimony could be given. The individual she was to testify against is currently awaiting trial on murder charges.

I wish that were the only case I could relate. There are more cases in which young girls or women who have decided to get out of prostitution and turn evidence have had to live a life from one hell to another, a life on the run, not knowing when a car stops in front of them whether somebody will put a bullet in their head. That is reality street in a town of only 65,000 people. It is happening in Toronto, in Scarborough, in western Canada and in small town Canada.

The bill starts down the right road. It does the right things. It tells us there is a program and there will be rules to the program. The program will have a dollar allocation. Currently the RCMP deals with that in its own programs because it has the budget.

• (1240)

This is the type of legislation the Canadian public wants. It wants to give the necessary resources to government agencies and to the criminal justice system for it to work. They want the resources to be targeted in a way that we alleviate as much as we can the criminal element from our streets while at the same time give protection and statutized, regularized program protection to those willing to come forward and confront elements in our society truly from the dark side of humanity.

I speak for the victims of crime who are potential witnesses to their victimization. I encourage the government and all members to continue to work, like the member for Scarborough West has worked, to identify to government and Parliament the types of programs through which we can come together and ensure the limited resources of government can be directed toward law enforcement and the criminal justice system. They should be directed in a fashion that allows us to attain the goal of safer streets and that those willing to participate to help us have safer streets are afforded the protection required.

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I knew my decision to yield the floor to my hon. friend from Dartmouth would be the correct one. His speech was peppered with his usual enthusiasm, a very interesting case study of why we need the program. I also thank all the speakers on the bill who mentioned my name in a positive light today. It is such a refreshing change and I really appreciate it.

I will talk about the history of witness protection and how I developed an interest in the subject to let Canadians know a bit about the need for a legislated witness protection program.

About three years ago when I was the official opposition critic for the solicitor general a gentleman came into my office. He was fearful, nervous, literally looking over his shoulder in apprehension. He was also very frustrated. He was a witness and an informant to a serious crime. He had in his view co–operated with the Royal Canadian Mounted Police in an investigation. In his opinion he had been offered certain protection and certain financial incentives which would help him to relocate and get away from the wrath of those he had reported to the authorities.

Unfortunately because nothing was in writing or because there was no real mechanism provided, there was a dispute about what had been agreed on and how long the protection would be afforded. Suffice it to say he felt abandoned. He felt adrift. He felt at the mercy of those he had informed on.

It was a courageous thing for him to do. These were vicious people. He feared for his family, his wife and children, not just for himself; perhaps more for his wife and family than for himself.

I could see why he was in fear but why was he frustrated? He had gone to the RCMP and did not seem to get any redress there. He had gone to his local police department and did not get redress there. He had gone to the Ontario Provincial Police and did not get redress there. He went to his local member of Parliament. His local member of Parliament was unable to help, not because his local member of Parliament did not want to help but because we were now entering into the nether world of witness protection in Canada.

• (1245)

He went to the minister of the day who along with his officials begrudgingly admitted there was such a program but they were not about to talk about it. They were not about to discuss it. They were not about to give details and they certainly were not about to talk about his case.

In desperation he came to me, the official opposition critic for the solicitor general. That piqued my interest in the subject and I began to investigate. I found that since 1970 a federal witness protection program has been run by the U.S. marshall service in the United States. Prosecutors in the United States have said that the program was one of the most effective assets they utilized in law enforcement.

The population of the United States of America probably approaches 300 million people now. That U.S. witness protection program currently protects approximately 500 witnesses per year, which is not a very large number of witnesses considering the size of the population.

That says it is used in extreme circumstances for extreme cases. In a way that is good because there is only so much money. Generally speaking it has a fairly good success rate in solving crimes except the most dastardly kinds of crimes, the ones where people do not think twice about snuffing out a life in order that the person not be a witness in a proceeding against them.

I am talking about drug related offences. I am talking about organized crime. I am talking about gang warfare. The last thing those people are worried about is the value of a single human life. It is simply a matter of money. Nowadays one can get somebody to kill another for virtually a song. What a sad commentary in general on society.

I began to work on a witness protection bill for Canada because what I found out about this nether world of witness protection was that first, no one would talk about it. Hardly anyone would acknowledge that it existed and there was no legislative base for it.

As a lawyer, this concerned me. How can the law enforcement agencies give a person a new passport? How can they give someone a new social insurance number? How can they give someone new background documents and resumes of work that never existed to get the person back into the workforce with no legal basis to do so? It worried me that our law enforcement agencies with the best of motives to protect witnesses might be doing something contrary to the law by issuing these kinds of papers and these kinds of new identities without a legislative base.

I felt they needed this legislative base. I discussed this with the solicitor general of the day. Thousands of people across Canada presented petitions to the government of the day asking that a national witness protection program be brought forward. In a response to one of those petitions, the Hon. Doug Lewis, the minister at that time had this to say:

> Witness protection is indeed a very important function of law enforcement and, equally, a crucial service to witnesses who are at risk of retribution as a result of giving testimony in court.
>
> It is accurate to say that, presently, there is not a national, legislated program as exists in the United States, for example. My officials are currently examining the state of witness protection in Canada, which necessitates consideration of the witness protection requirements of not only the law enforcement community, but also the witnesses themselves. Also, integral to this process is a review of the efficacy of the legislated program and its application in Canada.
>
> Bearing in mind the complexity of this issue, a thorough review is required before a decision can be reached on the best possible witness protection program for Canadians.
>
> Rest assured that your views, particularly your request for a legislated program, are being given serious consideration and I would like to thank the petitioners for expressing their views on this matter.

That was a very nice response but I was getting the same feeling as John Doe who had come into my office of being pushed from pillar to post, study after study. Yes, there is no legislative program. Yes, it is a good idea. Yes, we need it, but we have to study it.

• (1250)

What changed? There was an election and with the election the appointment of a new solicitor general, the hon. member for Windsor West. Very shortly after becoming Solicitor General of Canada, among the various other initiatives that he came up with, the solicitor general recognized the merit and the need for a legislated witness protection program which would be offered nationally.

In consultation with his officials, he very kindly sat down with me and discussed my bill and the work that I had done up to that point. Of course the solicitor general has more resources than an ordinary member of Parliament. He did everything that was required of him. He talked to the U.S. marshall service, found out about the flaws and the pitfalls of the program. He talked to the various solicitors general of the provinces to see how the program could be most effective in a federal system where we pass the criminal laws, but they are enforced by the provinces.

He did not drag his feet. After having done the work and keeping me informed at all times so that I was convinced that the work was proceeding, he brought forward the legislation, Bill C–78.

In my judgment the bill is historic from a number of perspectives. Not only will it go a long way in protecting witnesses and informants in the future but it will help solve crimes.

Between 1980 and 1992 there have been 1,455 unsolved murders in the country. That is an incredible statistic. Never mind 1,455 murders, but 1,455 unsolved murders. No doubt there are people out there who know who was the perpetrator in many of these murders but they fear for their lives or they fear for their families' lives. They fear to come forward because they have no way of knowing they will be protected. Because of the nether world, the shadowy world of witness protection before the bill, people were not aware of it. They did not know whom to approach.

Did the House know that right now there are approximately 15 police forces across the country that offer witness protection; the RCMP, the OPP, the metropolitan Toronto police, some other police forces? Each has its own program with different rules, different standards, different budgets.

What good is it to a person who witnesses a murder, shall we say in Sudbury, if the metropolitan Toronto police has a witness protection program? That budget is for the residents of that city. What good is it in Calgary if the OPP has a witness protection program?

The key is that it has to be a national program because our criminal law is national. We have a national police force, the Royal Canadian Mounted Police, which has a presence in every province and territory. It has a witness protection program so it is only logical that it administer a national witness protection program and the bill provides precisely for that.

It provides that those other police forces or any police force can contract through the RCMP to provide protection for witnesses in investigations that it is conducting. This is good financially as well because those police forces can budget for witness protection. They can pay the RCMP for the services it will be giving, but then they will have the expertise and uniformity that the RCMP will offer under the bill.

To me that is a very positive thing. I believe we will be able to solve crimes when we are able to offer proper legislated witness protection to people across Canada.

• (1255)

Goodness knows, there are enough crimes that need solving. Hopefully we will get people to come forward and offer their evidence in exchange for being protected from those very vile people in society who do not care about snuffing out people's lives.

The hon. member for Dartmouth used a descriptive term for these people. He called them demons. In order for us to exorcise our demons from society, our criminal demons, this will be one of the excellent tools we can use in that regard.

The bill is deceptively short considering what it is going to do. It only has 24 relatively short paragraphs. Perhaps we lose sight of the fact that sometimes shorter is better. It is deceptively short yet not lacking in anything.

When I drafted Bill C–206 I spent a lot of time thinking about all the different angles. I thought I had them all covered. I was very gratified when the House unanimously approved it at second reading. However, as is probably most often the case, the bureaucrats examined the bill and found certain things that were not in it and put them into a recommendation to the solicitor general. He, to his credit, accepted those recommendations. Bill C–78 is an improvement on my Bill C–206 and covers ground that is not covered in my bill.

One other thing I want to mention is the use to which the witness protection program has been put. For example, in 1986 approximately $500,000 a year was being spent by the RCMP on witness protection in all of Canada. In 1993 that amount has ballooned to $3,800,000. This is money well spent because it is money used for solving crimes perpetrated in Canada, crimes that might otherwise go unsolved. That demonstrates to me the efficacy of a national witness protection program and the need for Bill C–78.

One thing that was lacking before was openness, light shining on the witness protection program, publicity about the witness protection program. The program has been ongoing for quite some time. I am very pleased to note in clause 16 of Bill C–78 something that was not contained in my private member's bill but is very important, an annual report.

The commissioner of the RCMP, who will be in charge of the legislated national witness program, will file a report with the minister. That in itself is very important, as the minister will be apprised of what is going on with witness protection, how much it is costing, how many witnesses there are and its success rate in solving crimes.

The minister has gone further because not only will he receive the report but the clause provides that the minister shall—not may, not think about, but shall—cause a copy of the report to be laid before the House of Commons. We in the House of Commons and the people of Canada whom we represent will have an opportunity on a yearly basis to hear about the witness protection program and thereby publicize it, to examine how much is being spent on it, to know how many people are being protected by it and to understand how many crimes are being solved by the use of the witness protection program as a tool of law enforcement.

To me this is important because it will publicize the program. It will give people an opportunity to come forward and say they saw something, know something or heard something and say they will come forward if they have protection in the circumstances. It will be for the commissioner to decide whether or not in the circumstances of the particular case witness protection should be afforded. That is as it should be because it is a tool for law enforcement to use for the protection of witnesses who will help to solve crimes.

• (1300)

All in all, Bill C–78 is an excellent bill. I am delighted to support it. I am delighted that it apparently has all–party support. That indicates to me that it will receive quick passage through the House of Commons so we can get on with the legislated witness protection program, get on with publicizing it, get on with solving crimes and get on with trying to find the perpetrators of the 1,455 unsolved murders between 1980 and 1992.

There are a couple of areas in the bill on which I would like some clarification. Hopefully these will be clarified by the officials in their appearance before the committee when the bill is studied at committee.

I draw specific attention to a lack of a provision to authorize emergency steps. For example, if the commissioner believes that there is some urgent need to protect someone to get them out of harm's way before the technicalities of the bill kick in, it would seem that there should be some sort of mechanism specifically provided in the bill for that purpose.

The bill will help Canadians. It will protect Canadians. It will help solve crimes. That is fairly obvious because of the all–party support the bill is receiving. Members on all sides of the House of all different political persuasions and of all types of views on justice issues recognize that witnesses and informants need to be protected if we are to help solve and fight crime.

It is refreshing to see that there is such unanimity on such an issue in the House. Canadians can feel reassured that the House of Commons cares about them, cares about their personal safety, cares about the fact that crime exists and must be controlled and eradicated, and cares about the fact that witnesses and people who come forward to help in the enforcement of the law will be

protected by society in a legislated way, in an open way, not in some quiet and shadowy backroom without possibility of appeal, without possibility of redress in the event that there is some misunderstanding.

By the way, that is another good point. There will be written reasons given by the commissioner if people are turned down so they are not left out there with their heads spinning, unable to comprehend why the system did not protect them.

I support the bill. I am very grateful the House supports the bill. I am grateful to the minister for bringing it forward. As I began, I am grateful for all the kind comments that have been made about me by members of the House.

[*Translation*]

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, first I want to thank RCMP officers for the consistently good work they do for Canadians. I am satisfied that they will continue to have operational control over this program.

The protection of witnesses is one of the most useful and efficient tools to fight crime. In order to be effective, witness protection programs must provide the best possible protection to likely sources and witnesses. This is precisely what the Witness Protection Program Act seeks to do.

The proposed changes to the legislation will allow sources and witnesses participating in the program to fully understand the terms and conditions under which they will be protected. As well, the decisions and the measures taken by the authority responsible for the program, namely the RCMP, will be more transparent. This will result in a more transparent and efficient operation of the program, while also contributing to the government's efforts to implement the act and thus stop crime, particularly organized crime.

• (1305)

The proposed changes in the Witness Protection Program Act will provide sound statutory and regulatory authority to the RCMP program by establishing a federally legislated witness protection program.

The new legislation will provide the following: clearly defined eligibility criteria for witnesses; identical treatment all across the country; a clear statement on the responsibilities and obligations of program officials and participants; a better defined management structure within the RCMP regarding the daily operation of the programs, so as to strengthen accountability; a complaint settlement process as well as the presentation, by the RCMP commissioner, of an annual report to the solicitor general on the operation of the program.

The RCMP source witness protection program was established in 1984 to meet the specific needs of that police force regarding the protection of sources and witnesses. Other witness protection programs are run by a number of provinces and municipalities.

Police departments using these programs also rely on the RCMP source witness protection program, under a cost recovery system, and this will continue to be the case. The RCMP helps other protection programs by obtaining I.D. documents delivered by the federal government—including passports and social insurance cards—when a name change is necessary, or by facilitating the relocation of witnesses in another province.

During the 1994–95 fiscal year, the RCMP was able, through its source witness protection program, to provide protection services to 70 new clients. In 30 of these cases, the services were provided at the request of other organizations. The RCMP currently allocates $3.4 million annually to witness protection activities.

The changes made to the RCMP source witness protection program will not result in additional spending. The program will continue to be financed with current resources.

The provinces and territories were consulted and they support the proposed changes in the Witness Protection Program Act.

When a decision is made to admit an applicant to the RCMP's source witness protection program, the following factors will be taken into consideration: the potential contribution that the witness or source can make toward a particular police investigation, the nature of the offence under investigation, the nature of the risk to the individual, what alternate methods of protection are available, the danger to the community if the individual is admitted to the program, the potential effects on any family arrangements, the likelihood of the individual being able to adjust, their maturity, their ability to make judgments and other personal characteristics, the cost of maintaining the individual in the program and other factors as the commissioner of the RCMP may find to be relevant.

Under the Witness Protection Program Act, there will be a clear and defined decision making process to admit an individual into the program. In serious cases, such as those requiring a change of identity or admission of a foreign national, the decision to admit an individual will be made only by the assistant commissioner in charge of the program. A decision to terminate protection must also be made by the assistant commissioner.

In less serious cases, the decision to protect an individual may be made by someone at the chief superintendent level.

Finally, the changes introduced in the Witness Protection Program Act were drafted following consultations with the RCMP and various police forces across the country who were asked to contribute their views. These changes will help make the RCMP's source witness protection program more open.

I am very pleased that the House has agreed to support this important bill, and I hope it will be passed very shortly.

• (1310)

The Deputy Speaker: Is the House ready for the question.

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to, bill read the second time and referred to a committee.)

* * *

[*English*]

EXPLOSIVES ACT

The House proceeded to the consideration of Bill C–71, an act to amend the Explosives Act, as reported (without amendment) from the committee.

Hon. Ralph E. Goodale (for the Minister of Natural Resources) moved that the bill be concurred in.

(Motion agreed to.)

The Deputy Speaker: When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. Goodale (for the Minister of Natural Resources) moved that the bill be read the third time and passed.

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, I rise today in support of Bill C–71, an act to amend the Explosives Act. Today I will address some of the concerns members opposite have raised during the second reading debate and I will emphasize the major points government members raised during that debate.

Let me begin by thanking members opposite for expressing support from their respective parties for Bill C–71 during the debate on second reading of the proposed legislation.

I note from *Hansard* that during the debate the hon. member for Matapédia—Matane asked what is the use of marking explosives if we do not monitor them. My response is that we do. Canada's explosives inspectors are doing an excellent job of monitoring legally licensed makers, distributors and users of explosives in the country.

There are concerns about how terrorists and biker gangs get their explosives. Terrorists typically purchase stolen explosives on the black market, or they make their own if they have the expertise, as was the case in the horrific bombing of the Oklahoma City federal building this summer.

Sources for stolen explosives include explosives obtained from break–ins and thefts from storage magazines on construction sites, in mines and quarries. Naturally these incidents fall within the jurisdiction of Canada's police agencies. In any case I submit to the House that it is not a common occurrence in the country. The mere fact that it can happen does not require a maze of restrictive and unnecessary regulations from any government, least of all the Government of Canada.

Furthermore, explosives that are used or intended for use in criminal activities are never purchased from legitimate vendors licensed under the terms of existing federal explosives legislation. That is because legitimate vendors must keep accurate and complete transaction records for all explosives they sell. These records, coupled with the records of police security checks that are required under the terms of the existing Explosives Act, could easily provide a clear paper trail of evidence to anyone who used legally obtained explosives to commit a crime.

Let me return to the issues that are more closely related to the proposed legislation before the House. With respect to the length of time it has taken to submit the amendment to Parliament, I want to make a few points.

Officials at Natural Resources Canada have indicated to me that shortly before the Montreal convention on the marking of plastic explosives was signed in 1991 they joined their colleagues from national defence, customs, and transport to prepare a memorandum to cabinet regarding the proposed amendments to the Explosives Act. As members of the House may recall, there were significant changes in the structure of federal government departments in mid–1993. Shortly thereafter a federal election was held, resulting in even more significant change. Since then the Government of Canada has been working hard to put Canada on a positive new course for the future, to revitalize employment opportunities for all Canadians, to attack major issues such as the deficit and debt and, in short, to get Canada moving again. The government is delivering the good government that Canadians wanted and deserved. In addition we are making excellent progress to reach a number of positive public policy objectives.

• (1315)

Hon. members will know we have faced tremendous challenges to deliver on our promises to Canadians and that the Government of Canada has worked hard to manage our priorities since 1993 in order to succeed. I hardly think this debate is the appropriate forum to trot out the list of our accomplishments but if members opposite wish me to do so I will be more than happy to.

Departmental officials had to review their work to prepare their memorandum to cabinet concerning the amendments to the Explosives Act we have before us today. Consequently the officials made the necessary revisions to meet the demands of a new government. The officials have done an excellent job.

The 1991 convention signed in Montreal represents an international agreement to combine efforts among nations to reduce the risk of any further aircraft bombings. Participation in this effort is viewed by Canada as an essential element in the continuing battle against terrorism.

Like all international agreements, the convention on marking of plastic explosives is based on trust among signatory nations. Canada respects this spirit. Canada is known around the world as a leader in encouraging progress to increase the trust among nations that leads to progressive international conventions.

We have every intention of living up to all of our international obligations in the hopes that other countries will follow our example. This is not a blind trust; this is the essence of good leadership.

At present there is no way to detect plastic explosives in airports, while conventional explosives materials can be detected by equipment at our airports. The act proposes the marking of plastic explosives by adding a chemical which would be detected by equipment in Canada's international airports and thus ward off the threat of terrorism.

The amendment would allow Canada to be among the first nations to ratify an international convention requested by the United Nations and co–ordinated by the international civil aviation organization with respect to the marking of plastic explosives.

The convention was signed in March 1991 by 40 countries, and 14 countries have already ratified the convention since April 1992. Five of these nations, Norway, Spain, Switzerland, Slovakia and the Czech Republic, are producer states where plastic explosives are manufactured.

Given that Canada is a world leader in vapour detection technology, Canadian equipment manufacturers will be able to take advantage of international market opportunities for their vapour detection technology as more and more countries ratify the convention.

Plastic explosives have emerged as a weapon of choice among terrorist groups for bombing aircraft and other targets such as public buildings because this type of explosive is small, powerful, stable, malleable and, most important, difficult to detect.

If plastic explosives are marked or tagged with a substance that can be detected by equipment at Canadian airports, it is quite likely that terrorists would be discouraged from attempting any attacks in Canada using plastic explosives.

The convention on the marking of plastic explosives requires states to ensure the marking of plastic explosives to enhance their detectability. The convention also requires controls over the import, export, possession and transfer of marked plastic explosives and the destruction of most unmarked plastic explosives.

Let me remind the House about the main features of the convention. Only plastic explosives as defined in the convention are required to be marked. Existing unmarked commercial stocks of plastic explosives are to be destroyed within three years. An international explosives technical commission will be created to assess technical developments.

The cost of Canadian participation in such a commission will be low and the convention will come in force after 35 states including the 5 producer states have ratified it. Canada is one of the world's producer states and by passing the proposed legislation before the House today Canada will be among the first countries to ratify the important convention.

Looking at other departments, the military has agreed it can except perhaps in times of emergency observe all of the terms of the convention. Priority will be given to the use of unmarked stocks of plastic explosives in the military stock of explosives materials. As always, tight security of storage facilities will be maintained. In addition, tight accounting procedures regarding the use of all stocks will also be maintained.

• (1320)

Transport Canada, responsible for the operation of detection equipment at Canadian airports, has indicated current technology can detect the marked plastic explosives.

The extra cost of producing detectable plastic explosives is expected to be negligible. This is primarily due to the relatively low volumes of plastic explosives manufactured in Canada. The industry has been working in co–operation with organizations involved in the effort to develop substances to mark plastic explosives for the purpose of detection. Therefore the industry acknowledges the impact of extra costs will not be that serious.

In addition, given the low volumes of plastic explosives compared with the volumes of conventional industrial explosives, the challenge of enforcing the provisions of this proposed amendment and by extension the international convention will

not pose a significant problem or cost to the respective regulatory bodies.

Canada's position as a leader in the development of vapour detection technology will be enhanced as a result of the ratification of the international convention. Increased foreign market penetration by Canadian equipment manufacturers is virtually a certainty. Therefore the proclamation of the amendment has the potential to help stimulate job creation and contribute to Canada's future economic growth and trade.

The amendment to the Explosives Act demonstrates the Government of Canada's commitment to good government. We are determined to contribute to the health and safety of passengers on aircraft. We are committed to working with our international partners to do whatever we can to stop the threat of terrorism in our skies and around the globe.

The amendment to the Explosives Act will send a signal to terrorists everywhere that Canada will not be an easy target for their deadly campaigns of violence. In the process, Canadian manufacturers of vapour detection equipment will be able to take advantage of significant marketing opportunities. As a result, the proposed amendment to the Explosives Act will contribute to two major federal goals: job creation and Canadian economic growth. Moreover the passage of the amendment will protect the health and safety of all Canadians.

I thank members opposite for their support in passing important legislation. I urge all members of the House to give speedy passage to the amendment.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, I am delighted to rise today to speak as well on Bill C-71, an act to amend the Explosives Act. There is of course already an Explosives Act, which this bill will amend, and the aim of the earlier legislation was, as a general rule, to ensure public and worker safety.

This legislation governed the composition, quality and characteristics of standard explosives as well as their manufacture, import, sale, purchase, possession and storage. It covered pyrotechnic devices, that is, the products used for fireworks.

The new legislation brought before us today will require the incorporation of a detectable additive in plastic explosives to enable the governor in council to approve regulations on the possession, transfer and destruction of unmarked plastic explosives. The aim is to thwart terrorism, as my colleague mentioned, and to enable Canada to ratify the Convention on the Marking of Plastic Explosives for the Purpose of Detection, concluded in Montreal on March 1, 1991.

The bill would also prohibit, among other things, the manufacture, stockpiling, possession, transfer, transport, import and export of unmarked plastic explosives, except in the instances provided by the convention and for military purposes of vital importance clearly specified in the legislation.

What is the Montreal Convention? I am asking the question for the benefit of Canadians watching us. The convention was signed in March 1991 at the headquarters of the International Civil Aviation Organization by the members of this organization. Its aim is to control the proliferation of plastic explosives used in terrorist attacks.

It covers unmarked plastic explosives, that is, explosives that do not contain a substance permitting easy detection and it requires signatory countries and producing countries, such as Canada, to mark plastic explosives, except those used for research purposes or by the police and the military.

• (1325)

The bill proposes marking plastic explosives through the incorporation of a chemical that could be picked up by the detection equipment installed at international airports in Canada to counteract the threat of terrorism.

Generally speaking, Bill C-71 meets the main requirements of the Convention. It appears to meet all of the obligations in it. First, the bill prohibits the production of unmarked plastic explosives, except in the instances provided. Then it announces regulations governing the transportation and possession of unmarked plastic explosives. Finally, it provides measures for unmarked plastic explosives produced or owned prior to the date the present bill comes into effect, as my colleague stated just before me.

Clearly, plastic explosives are the preferred weapon of terrorists, for the very reason that they are hard to detect. One need only think of recent terrorist incidents mentioned previously by my colleagues and remembered by many, such as the one involving Pan Am flight 103 from London, which exploded over Lockerbie, Scotland, a few years ago, or UTA flight 772, that crashed in Africa not too long ago. More than 440 people were killed in these two incidents. One might also think of the Air-India tragedy, another terrorist attack where a 747 that had taken off in Canada blew up over the Atlantic, south of the Republic of Ireland, killing everyone on board.

We must make sure that plastic explosives can be detected in airports. That is what this bill is about. Of course, the Bloc Quebecois reaffirms its support. Especially since, based on information we received, production costs for the manufacturers, most of them private enterprises, will increase only marginally as a result of this decision.

However, we nonetheless have some concerns about this bill. First, while the convention was signed on March 1, 1991, no bill was introduced until now, nearly five years later. This obviously

reflects a glaring lack of efficiency on the part of the government in an area directly related to public safety. It took less time to set up a unity Canada group. I think this is indicative of a glaring lack of efficiency that should be pointed out.

Of course, the goal in itself is commendable and we support it but how effective will the bill really be? First of all, not all countries signed the convention or belong to the International Civil Aviation Organization. This means that terrorists will still be able to obtain explosives in non member countries where plastic explosives will remain unmarked.

We put a question to our hon. colleague who said that, as far as terrorist groups were concerned, Canada could not say who did or did not sell explosives to them. We stress the fact that the federal government is not clear, as our colleague just indicated, that explosives are obtained in part on the black market. We did not need to be told that. We already knew that this was the case. We also knew that some of them are home made. But who on the black market supplies terrorists? Who are the people operating this black market? These questions remain unanswered.

In many regards, Canada is like a sieve for contraband goods. I am thinking about drugs in particular. It is well known that, in a way, Canada is the North American entry point for drugs and certainly for part of the weapons smuggled into the continent. It is a fact that certain groups are currently using this channel and that, in many cases, they are more heavily armed than the police and even the Canadian armed forces.

• (1330)

One wonders what specific measures will be taken in this bill to counteract such effects. Canada has problems controlling liquor and tobacco smuggling. It is therefore extremely difficult to imagine that a bill such as this one, in spite of all its positive measures, will effectively prevent the smuggling of explosives.

Explosives manufactured for military purposes are totally exempt from marking requirements, and we can understand that. Obviously, military people do not want to make their arms easy to detect; that would make no sense. Nevertheless, there is the possibility of leaks.

One can also think of the motorcycle gang war currently going in the Montreal region, another reason to be cautious in this regard. In recent months, there have been numerous victims, mostly gang members, but also innocent people.

Incidentally, I want to thank a group, the Oir Rachaim Tasher Yesheva Jewish congregation, in Boisbriand, for immediately coming to the help of injured persons during one incident. The compassion and the support shown by that community deserve to be mentioned.

As regards the gang war, I also want to stress the work of the hon. member for Hochelaga—Maisonneuve who helped start a petition in his riding, asking for anti–gang legislation, and who organized, for the benefit of many Montreal area MPs meetings with police officers of the city, including Mr. Sangollo, who is the assistant to the chief of police, Mr. Duchesneau. These officers gave us an idea of who these motorcycle gangs are and what is organized crime.

We were clearly told about the need for anti–gang legislation. The House should seriously consider such legislation. I am well aware that this would not be easy, since we would have to specifically define what constitutes a criminal gang.

That is not an easy thing to do. We must, of course, take the charter of rights and freedoms into account, but I think we must eventually find or come as close as possible to finding the exact words we need to counter the real damage done by these gangs. When I talk about these gangs, I am talking not only about criminal bikers but also about the mafia, the Chinese triads, the Japanese yakuza and the Russian mafia that is now spreading to all industrialized countries and especially to Canada since the collapse of the Soviet Union.

I think that this bill as it now stands certainly deserves to be supported because it is a step in the right direction, but I think it is not nearly enough, under the circumstances, to restore the feeling of safety that Canadians may have lost or are now losing.

I would like to close by repeating a few words that my colleague from Matapédia—Matane said in his first speech on this bill, because they are words of wisdom. My colleague said this: "You can mark the explosives you make as much as you want, but unless you take real measures against violence, organized gangs and terrorism, you are simply wasting your time".

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is a pleasure today to rise in the House to address third reading debate on Bill C–71, an act to amend the Explosives Act.

I am happy to inform the House that my party is supporting Bill C–71. I will not go on at great length to discuss the bill because of that support. It is good to see legislation come forward in the House which is required and which we can support because so often legislation has been flawed.

My one criticism of the business of the House has been that we have had to deal with a lot of rather inconsequential legislation. While Bill C–71 is important, all members of the House would have passed the bill rather quickly. It has not received much obstruction. It seems odd that we are spending so much time on these bills of little consequence when there are issues like the national debt and deficit to deal with. UI reform is needed. Health care reform is needed. Those areas are being ignored by the government.

• (1335)

I notice the minister of agriculture is present in the House. Certainly there are agriculture issues which need to be brought to the front burner. We encourage members on the opposite side of the House to bring forward those very pressing issues.

Yes, we will give support to the common sense bills brought before the House like Bill C–71, but let us see a little more substance. Let us see a little more meat to deal with.

The bill to amend the Explosives Act will allow Canada to formally participate in an international convention on the marking of plastic explosives for the purpose of detection, a very worthwhile cause. The purpose of the convention is to make sure that as many plastic explosives in the world as possible are able to be detected by legal authorities mostly in airports to stop terrorism.

We all use airports, except perhaps the members from Ottawa who I am sure stay home all the time. We recognize the importance of safety and the importance of being able to detect explosives so that our air traffic continues to be safe. It is an anti–terrorism bill. Therefore I can give my hearty endorsement to the piece of legislation.

After the Air India tragedy and the PanAm bombing over Lockerbie, Scotland in the late 1980s, the United Nations passed two separate resolutions both in 1989. One was passed by the security council and the other by the general assembly. These resolutions urged the International Civil Aviation Organization, another U, body to intensify its work on an international regime for the marking of plastic explosives for the purpose of detection.

Out of those resolutions was born the convention I have already mentioned. It was put forward in Montreal in 1991 and was signed by 100 nations. Although Canada signed as well it did not have the legal authority to ratify it. The bill will grant Canada the ability to formally ratify the convention, another reason to endorse the legislation.

For the last four years research has been ongoing to consult with the industry and develop an appropriate chemical marker. It has been developed in labs in New Jersey. Now is the time to move forward.

Unfortunately the convention will not take effect until 35 nations become signatories, 5 of them producer nations. Five nations which produce plastic explosives need to sign this agreement. I understand that five producer countries have signed, among them Slovakia, Switzerland, Norway, the Czech Republic and Spain. Canada will be the sixth producer country to sign. This still means that only 13 countries including Canada will have legally ratified the convention. That is a long way from the 35 that are needed to actually put the wishes of the convention into reality.

I agree that the ordinary terrorist without international connections will be harder pressed to obtain material that will escape detection devices. Therefore the convention is a positive thing.

Interestingly the United States has signed the convention but as yet has not introduced legislation to ratify it. We talked with the explosives industry organization in Washington, the Institute of the Makers of Explosives. It endorses the convention and said that the Federal Aviation Administration, the lead agency in America dealing with the issue, may introduce legislation soon to ratify it but nothing has been done to date.

We have not had an incident for a long time like the Lockerbie incident or the Air India disaster. The urgency unfortunately has died down somewhat and the issue has probably taken a lower priority. I hope it will not take another tragedy to bring the issue to the world stage once more.

For whatever reasons the convention is not in force right now and therefore it really is not relevant right now. Probably until the United States recognizes it, no significant countries will join in ratifying the law.

The amendment to our own act will continue to be irrelevant until we do something on a political level to bring the United States into the game. Until that happens nothing will ever get done and airline passengers all over the world will be at greater risk from the plastic explosives going undetected in aeroplanes.

A couple of weeks ago the member for Fraser Valley East called on the Minister of Natural Resources to urge her American counterparts to do something about it, to urge them to go ahead and ratify the convention so that other nations would come on board. My colleague has since received a letter from the minister saying that the Americans are already working on legislation implying that there is no need to address the problem.

• (1340)

We would reply that the Americans have been working on it for years with no action. The minister needs to express her concerns directly on a political level to her American counterpart and we are calling on her again today to do that. We want the minister to call her American counterpart and bring him up to speed on the issue. We urge the United States to move on the issue and formally approve the convention so that we can keep terrorism where it belongs. Of course it does not belong at all.

The minister also promised in her letter to participate in an American study that will examine the cost and benefits of marking conventional explosives that are being used in the biker bombings in Montreal to see whether it would be cost effective to identify all explosives and not just plastic explosives. We are pleased to hear that Canada will take part in this study and we look forward to the results.

I support Bill C–71. My colleagues support Bill C–71. It will not set the world on its head but it is a step in the right direction and is worthy of our support. It is certainly a shame that the government is not moving ahead with a Canadian agenda but instead is keeping to housekeeping legislation like this which we could have moved through even more rapidly than it is going through the House.

I appreciate the opportunity to speak to the legislation and look forward to its speedy passage.

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, the Explosives Act is an act of public and worker safety which regulates the composition, quality and character of explosives in addition to their manufacture, importation, sale, purchase, possession and storage. It also controls the use of fireworks.

The amendment is necessary to require the incorporation of a detectable additive in plastic explosives coupled with a provision to enable the governor in council to make regulations to control unmarked plastic explosives. This will hinder terrorism and will enable Canada to ratify the ICAO convention on the marking of plastic explosives for the purpose of detection.

The principal provisions of the bill are worth noting: to require the marking of most plastic explosives for the purpose of detection; to prohibit the manufacture, storage, possession, transfer of possession, transportation, import and export of unmarked plastic explosives, except as may be permitted by the terms of the convention or required by overriding military necessity; and to empower the governor in council to make regulations governing the possession, transfer and disposal of any unmarked plastic explosives.

The passage of the legislation will vault Canada ahead of the U.S. as the only producer state in the Americas to have ratified the convention.

Many questions have been asked with respect to the Explosives Act. Some of those questions are technical; others relate to policy and still others are legal questions. I intend to address those questions today.

One technical question asked is will the addition of a detection agent be effective in combating terrorism in disguise? The answer is yes. The proposed detection agents are of such character they can be detected by bomb detection equipment of current technology and use in Canada. This would render marked plastic explosives an undesirable choice for assembling bombs. A second benefit from tagging plastic explosives is that detection of illegal stockpiles will be simplified.

Another technical question often asked is will the presence of the detection agent compromise the performance or safety of plastic explosives? The answer is no. Only one type of plastic explosive, a military version known as C–4, is manufactured in small quantities in Canada. The safety and performance characteristics of the marked version have been verified by the manufacturer, the military and the Canadian Explosives Research Laboratory.

Another technical question asked is will there be a problem in using the existing stocks of unmarked plastic explosives? The answer is no. Small existing stocks of unmarked plastic explosives in Canada coupled with ample grace periods of three years for the public and fifteen years for the military police to use up or destroy these stocks were judged to be satisfactory during consultations with all concerned parties.

• (1345)

Another technical question often asked is whether explosives technology is advancing so rapidly that this initiative will soon be rendered obsolete. The answer is no. Explosives technology is stable at this time. In North America, plastic explosives are implicated in very few bombs targeted at aircraft. Prohibitions against the import, export and transfer of unmarked plastic explosives will discourage terrorists from using Canada as a location to plant bombs on aircraft.

Many policy questions have been raised as well. One question often asked is who may manufacture, possess and use plastic explosives in Canada and how will the legislation affect their activities. Plastic explosives in the form of military demolition charges are manufactured in small quantities on an as required basis by Les produits chimiques Expro in Valleyfield, Quebec. This manufacturer is authorized by its factory licence, which is issued pursuant to the Explosives Act and regulations. Sale and distribution of this product is limited to the military, as well as police explosives disposal units.

Commercial plastic explosives in sheet form are legally imported from the U.S. by companies engaged in hardening metal surfaces and explosives welding. The sole Canadian manufacturer does not expect any problems. Importers of commercial plastic explosives in sheet form, however, may experience difficulties in locating suppliers of marked product.

Another policy question often asked is whether these new restrictions will affect competitiveness. The answer is no. It is estimated that the cost associated with incorporating the additive will increase selling prices by no more than 1.25 per cent. It is quite possible that the Canadian manufacturer could realize a competitive advantage in international markets by being fast off the mark in offering marked products.

Another policy question often asked is if this initiative is connected in any way to the new proposed gun control legislation. The answer is no. This initiative is the result of an agreement signed in March 1991 and has no connection whatsoever to the gun control legislation recently tabled.

Often legal questions are asked with respect to the act. One question often asked is why the act is to come into force by order in council. It is specifically provided that the act will come into force on a day to be set by the order of the governor in council to ensure that the grace periods provided for in the convention will be respected. This will enable us to make the date of coming into force of the act coincide with that of the coming into force of the convention.

Another legal question often asked is when the convention will come into force. It is impossible to predict when the convention will come into force. Section 3 of article 13 of the convention provides that the convention will come into force on the 60th day following the date of deposit of the 35th instrument of ratification by a state, provided that at least five states have declared they are producer states. Should 35 instruments of ratification be deposited before the deposit of their instruments by five producer states, the convention will come into force on the 60th day following the date of deposit of the instrument of ratification of the fifth producer state.

Another legal question often asked is what happens to the definition of detection agent if the technical annex is amended. This is not a problem. The word convention is defined to refer to the convention as amended from time to time. This means that the definition of detection agent is ambulatory. It will follow any amendment in the technical annex to the convention.

A further legal question often asked is what happens to the definition of plastic explosives if the convention is amended. Amendments to the definition of plastic explosives in the convention would not be automatically reflected in the Explosives Act because we repeated the definition instead of referring to it. We would have to amend the definition in the Explosives Act in order to have it follow an amendment to that found in the convention. However, from a practical point of view this should not be a problem. The definition of plastic explosives is standard. Furthermore it is unlikely that the convention itself will be amended. The only amendments contemplated are to the technical annex.

• (1350)

In addition to the technical questions, the policy questions, and the legal questions, we have what we refer to as miscellaneous questions. It is often asked why it took nearly five years from the March 1991 signing of the convention to table the bill. Initial MOU development, which began shortly after the signing of the convention, involved considerable consultation with DND, Canada Customs, and Transport Canada. Additional time was lost in 1993 when there was a change in government prior to the tabling and approval of the memorandum to cabinet. It required a second consultation and resubmission of the MC.

I support the Explosives Act. As a member of the natural resources committee I recommend Bill C–71, the Explosives Act, at report stage to this honourable House.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am very pleased to enter the debate on Bill C–71, an act to amend the Explosives Act.

When I read over the act I notice some very specific benefits for Canada, specifically in the area of vapour detection. Our government is very interested in promoting scientific and technological devices to expand our knowledge base and to increase employment. It is very interesting that Canada is a world leader in this type of technology.

I am very pleased to speak in favour of the bill. I note this is a UN convention. It basically restores our commitment to the United Nations and to other countries to detect plastic explosives and prevent their exportation throughout the world.

There have been a few classic examples of plastic explosives being used by terrorists both in and out of Canada. Many of us can remember the Air India disaster and numerous other cases where terrorists have used plastic explosives and the death and dismemberment of many innocent people has resulted. The bill basically addresses that issue with the objective of detecting and stamping out the use of plastic explosives for that very purpose.

It is necessary that the bill be brought into place to recognize our commitment to the United Nations and to recognize the need to deal with terrorist activities. I note that Canada is also a producer of plastic explosives, but the main consumer of them in Canada is our own military. I understand the Canadian military has approximately a 10–year supply of plastic explosives. I am very happy to see that we have made a provision in the act for a 15–year moratorium to allow the inventory of unmarked plastic explosives to be brought down while the new replacements have this detection device included.

Heathrow International Airport uses canines and detection devices to control the exportation of firearms and dangerous substances. We have developed a whole technology to do that. The world does that very well. However we must always be on guard for the development of new types technology. Plastic explosives and small component devices can be exported very easily.

• (1355)

I support Bill C–71 and the effect it will have in the industrial sector in creating jobs for Canadians.

(Motion agreed to, bill read the third time and passed.)

REPORT OF THE AUDITOR GENERAL

The Speaker: I have the honour to lay upon the table the report of the Auditor General of Canada to the House of Commons, volume two, dated October 1995.

[*Translation*]

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

[*English*]

It being two o'clock, pursuant to Standing Order 30(5) the House will now proceed to Statements by Members, pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

NATIONAL FAMILY WEEK

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, we are celebrating national family week in Canada. The family is the basic institution of life and the solid foundation upon which our forefathers built this great nation.

The protection of families, family life and family values must be a priority with the government. The conventional terms of debate in matters of political, economic and legal issues tend to focus on individual rights and the rights of the state, not the rights of the family. This is unfortunate and must change, for the family is the most important reality in our lives.

This weekend families celebrate Thanksgiving in Canada and give thanks to God for our great country, for our families and friends. Happy Thanksgiving to my constituents of Central Nova.

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[*Translation*]

CANADA–QUEBEC ECONOMIC UNION

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, if we choose sovereignty, we shall be able to make choices in keeping with our own values and priorities. By offering to associate ourselves with the rest of Canada in a partnership, we shall be able also to make shared decisions with our neighbours. The proposed partnership agreement with the rest of Canada is a winning combination.

It is a good combination of autonomy and co–operation. It enables us to take advantage of the elements we have built together—the Canadian currency, the Canadian economic space—and to finally give up squabbling over areas in which our interests are divergent. A vote for change means a vote for ourselves, for the people of Quebec, above and beyond party lines. A Yes vote means finally standing up for our convictions, voting for what we are and what we want to be.

* * *

[*English*]

AIR DISASTERS

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I rise today to voice my deep concern for the nine Canadians whose helicopter crashed yesterday heading home from Kumtor gold mine in Russia, where they were struggling to bring a new mine into production.

Throughout history the lure of gold has prompted prospectors to face incredible hardships, often only with a packhorse, a pick, a shovel, or a gold pan. The helicopter serves as the modern prospector's packhorse, so all of us in the mining industry can readily sympathize when an accident involves these vehicles.

Gold has its own way of calling us, so precious and fundamental in value. Despite the very real hardships involved, the search for gold will continue to beckon Canadian prospectors and mine developers to snowy mountain tops around the world. Meanwhile, our prayers and good wishes go out to all 15 people on board, as well as to their families.

* * *

INTEREST RATES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, today's Auditor General of Canada report reaffirms what New Democrats have been telling Canadians for years, that the high real interest rate policy is the major reason for our massive debt, not social program spending.

High real interest rates hurt the economy, drive up debt and kill jobs. If the federal debt of $546 billion is a mortgage, Canadians are becoming tenants in their own homes, because 46 per cent of the debt is held by foreigners.

Canada's net foreign indebtedness is by far the highest among major industrialized countries. Even Italy has a foreign debt of less than 12 per cent.

New Democrats have called the Liberal government's high interest rate policy a disaster and the auditor general agrees. High interest rates have created nearly one–third of our debt. More debt should be held by the Bank of Canada. Social program spending has not contributed significantly to Canada's debt.

In view of this evidence, will the Liberals now create a fair economic policy for Canadians, rather than one for foreign investors?

S. O. 31

NATIONAL PARKS AND HISTORICAL SITES

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise today to acknowledge and thank the hard working men and women who staff our national parks and historical sites.

As Canadians we can be very proud of the quality of our Parks Canada facilities and the quality of service that is provided by a dedicated staff of professionals, men and women who are committed to what are undoubtedly some of Canada's greatest natural resources, our parks and historical sites. These represent an important part of Canadian identity from coast to coast to coast.

In Parry Sound—Muskoka, Parks Canada has responsibility for Georgian Bay Island National Park in the west of my riding and Bethune Memorial House in Gravenhurst. Both facilities have fine reputations and attract visitors from around the world, adding significantly to our local tourist economy.

I congratulate the Parks Canada staff for its fine work on our behalf and for maintaining our resources to the highest standard. Specifically I acknowledge the dedication of Mike Walton, Mary Ellen Corcelli and her staff who are responsible for Bethune House and Georgian Bay National Park.

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[*Translation*]

WORLD TEACHERS DAY

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, on October 4, 1966, a special intergovernmental conference adopted the UNESCO recommendation on the status of teachers. Thirty years have passed since the adoption of that historical document, and today we mark the anniversary by inaugurating World Teachers Day.

Just by pure happenstance, on the very day we are marking the vital contribution of our teachers, the permanent campus of la Cité collégiale will be holding its official opening ceremonies in Ottawa. Its teachers and students can be proud of the fact that theirs is the first French–language college of applied arts and technology in Ontario.

I would like to take this opportunity, therefore, to offer my thanks and congratulations to all of the men and women in the educational field for their ongoing efforts to provide Canadian youth with the opportunity to realize their full potential.

My best wishes to all teachers for a happy international day, and to la Cité collégiale for a long life.

[*English*]

CANADA POST CORPORATION

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, earlier this year I toured the head offices of Canada Post Corporation here in Ottawa.

I found Canada Post to be a thoroughly modern distribution organization, the equal of any in the world. Its track and trace system for managing mail flow is said to be state of the art and Canada Post is selling the technology worldwide.

Ensuring timely and cost effective mail delivery to all Canadians is no small challenge. Doing so in the midst of a revolution in communications and at a profit is the challenge that Canada Post faces.

For a time, closing rural post offices was seen as a way for Canada Post to meet this challenge, but this avenue was closed with the decision by the Minister of Public Works and Government Services to impose a moratorium on the closure of small rural post offices. That decision has proven to be enlightened. It has refocused the energies of Canada Post and allowed the corporation to discover that its more than 19,000 outlets are not liabilities but important assets. Now it is time to broaden the range of services which Canada Post provides, especially to rural Canadians.

As other countries have discovered, the possibilities are endless and endlessly exciting.

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[*Translation*]

THE NATIONAL DEBT

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, every day, owing to Canada's enormous debt, a federalist legacy, we see the extent to which interest rates and monetary policy are determined by our southern neighbour's central bank and by international financial markets.

On May 16, 1994, even Canada's finance minister acknowledged this dependence on financial markets, and I quote: "Canada's debt, especially its foreign debt, undermines the sovereignty of this country. Our sovereignty suffers when we have to keep our interest rates high—even if our rate of inflation is among the lowest in the world—in order to attract foreign investment".

Due to Canada's dependence on foreign investment, it is clear that if the finance minister ignores his obligations as the manager of this debt by refusing to negotiate a new economic partnership with Quebec, national and foreign markets will call him in to order.

• (1405)

[*English*]

HEALTH CARE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, the politically artificial October 15 deadline imposed by the health minister on the provinces is rapidly approaching.

Why was it imposed? Some provinces have dared to reform their health care system in the best interests of their residents by offering them choice. Alberta, for example, by addressing the chronic problems in its health care system, may be penalized $7 million annually.

Now there are indications that the minister may be backtracking on her original edict. Officials in her department have stated that October 15 is only the date when they will determine whether some provinces are violating provisions of the Canada Health Act. Financial penalties may be some months down the road.

It is clear the minister's line in the sand is being blown away; blown away by the wind of reform and innovation; blown away by the need for a new Canadian federalism.

* * *

WATERLOO

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, it is my pleasure to inform the House that Ville de Waterloo, Quebec and the city of Waterloo, Ontario have agreed to formally twin their respective communities.

The aim of the twinning is to promote social, cultural, economic, historic and sports exchanges in order to strengthen existing ties of friendship and provide a framework for mutually beneficial exchanges of information and experiences.

Representatives of the two Waterloos first met in Ottawa during the Spicer commission hearings. I had the honour to be a participant as a municipal councillor.

Ville de Waterloo will be hosted by my community this weekend during Oktoberfest, the largest Bavarian festival outside of Munich. On Monday, Thanksgiving weekend, the mayors of the two Waterloos will be part of the Oktoberfest parade that will be televised nationally.

To mayors Bernard Provencher and Brian Turnbull, along with their respective councils and communities, we offer our congratulations for their initiatives in promoting goodwill and understanding among Canadians.

My colleague from Kitchener and I invite all members of the House and Canadians to come to Kitchener–Waterloo for Oktoberfest.

[*Translation*]

LEADER OF THE ACTION DÉMOCRATIQUE DU QUÉBEC

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, yesterday the separatist leader of the Action démocratique du Québec asked Quebecers to support his plan for Quebec's separation because it was based on the same approach as the common sense revolution of Mike Harris.

This statement by the leader of the ADQ openly contradicted what was said recently by the leader of the PQ about the new government in Ontario. I may recall that recently, the Péquiste leader said in an interview with *Le Soleil*, and I quote: "Ralph Klein and Mike Harris did not take the bull by the horns. They took the public by the horns".

The Yes side should stop adding to the confusion and contradictory statements around the referendum and the future of Quebec. They can make as many clever moves as they want, but the public knows perfectly well that the real issue is separation, and on October 30, the answer will be no.

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LEADER OF THE ACTION DÉMOCRATIQUE DU QUÉBEC

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, the statement by the separatist leader of the Action démocratique du Québec, which referred to an independent Quebec on the Ontario model proposed by Mike Harris, was not only a contradiction of what was said by his boss, the leader of the Parti Quebecois, it was also a denial of the position taken by the Leader of the Bloc Quebecois.

The Leader of the Official Opposition has already said that the approach and policies of the Conservative Government in Ontario would not be applied to Quebec, and I quote: "I find it disturbing, and many people in Quebec are afraid of this model of society".

It has become increasingly clear that the three leaders on the Yes side cannot agree on the kind of society they want to offer to Quebecers. The people of Quebec are very wary of these contradictions, and that is why they will elect to stay in Canada by voting no on October 30.

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CANADIAN DOLLAR

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, strangely enough, some supporters of the No side are still questioning the right of a sovereign Quebec to use the Canadian dollar. The decision as to which currency can be used as legal tender on a sovereign country's territory can only be made by that country. Even the United States has no control over transactions made in U.S. dollars outside its borders. It must also be

understood that if Quebecers stop using the Canadian dollar, this will have a very negative effect on its value.

As for the monetary policy, Mr. Johnson must be the only one who thinks that it is controlled by Parliament, as he stated yesterday. In Canada as in most industrialized countries, the central bank must be independent from the political powers in order to ensure its immunity from political influence and vagaries.

* * *

[*English*]

JUSTICE

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, here we go again. The Liberal government's failure to deal effectively with terrorism by a few aboriginal thugs in the past is continuing to cause a breakdown in law and order.

• (1410)

These terrorists know that the justice minister and the solicitor general follow the politically correct agenda that will not bring the full force of the law to bear for legal action.

Canadians, including law-abiding aboriginal people, are disgusted that the government has two legal systems in place. Word has been received that other terrorist actions will take place, that a few more hotheads are planning to take over land they do not own and have no claim to, land to which they have no history.

Let the government know that the law-abiding people of Canada are watching, that they want to see all laws enforced. Canadians are watching for the government to quit the politically correct attitude and bring the full force of the law down on all those who threaten Canadians.

* * *

[*Translation*]

LEADER OF ACTION DÉMOCRATIQUE DU QUÉBEC

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the separatist leader of the ADQ has added to the rumours about the PQ Premier's leadership that have been circulating for several days among Quebec separatists.

In his conversation with reporters yesterday, the leader of the ADQ warned that, should the No side win the October 30 referendum, we must expect "a redeployment of Quebec's nationalist forces".

Although tour organizers tried to minimize the importance of that statement and urged reporters not to publish it, the leader of the ADQ nonetheless allowed himself to speculate publicly on the political future of the PQ Premier.

The political ambitions of some separatist leaders must not derail the debate in which Quebecers have been invited to participate.

The only true question is Quebec's separation, to which our answer is No.

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FRANCOPHONES OUTSIDE QUEBEC

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, on September 14, the Bloc Quebecois critic on Canadian heritage issued a press release in which she stated that the federal government had failed in its effort to protect and promote French language in Canada.

In making such a statement, the separatist opposition is looking for a way to make people forget that its separation project means that French speaking people outside Quebec will be left to fend for themselves.

We, the Canadian government, really care about that community. Thanks to the concerted efforts of our government and the Ontario government, the 200,000 French speaking residents of eastern Ontario now have the largest French speaking technical college outside Quebec.

This afternoon, the Prime Minister will personally attend the official opening ceremony of the Cité collégiale. This is yet another example of the efforts made by the Canadian government to promote the use of French from coast to coast.

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[*English*]

IMMIGRATION AND REFUGEE BOARD

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the bleeding heart mentality of the Liberal government has penetrated the Immigration and Refugee Board, appeal division. Its decision to allow Satpal Singh Jhatoo, a convicted murderer, to stay in Canada is reprehensible. The board says the killer is remorseful. It says the killer is unlikely to reoffend, so it let him stay.

It does not matter that he beat a mother of six to death with a baseball bat, doused her body in gasoline and set it on fire. It does not matter that before being sentenced to life for this horrible crime he was convicted of aggravated assault when he stabbed a man in the neck.

It does not matter that he violated parole. It does not matter that he was caught smoking pot while on parole. It does not matter that he received day parole after only seven years in prison.

It does not matter that the Minister of Citizenship and Immigration has the means and the power to declare this criminal a danger to the public and have him deported. It does not matter to the bleeding heart Liberals, but it does matter to Canadians.

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ROYAL BANK

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, the Royal Bank is our largest financial institution. It is part of the general banking industry that has been requesting increased access to other financial service sectors within our country so that, as it says, it can more effectively compete in a new globalized trading system.

Canadians have paid the price of reduced competition in the securities business and now there is the possibility of encroachment into the area of insurance.

This bank now chooses to display the flag of the United States in some of its branches.

• (1415)

While I understand this is a promotional campaign, Canadians are nevertheless insulted by this intrusion of foreign symbolism into what has been until now a historically Canadian institution. This is especially true since it has been Canadians who have paid the price in many countless ways of supporting it.

ORAL QUESTION PERIOD

[*Translation*]

MANPOWER TRAINING

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in a unanimous decision, the Société québécoise de développement de la main-d'oeuvre, which brings together business and employee representatives, yesterday denounced federal encroachment, in the form of Bill C-96, in the area of manpower training. This public organization is asking the government to stop setting up new parallel structures and to refrain from further intrusion into Quebec jurisdiction.

I ask the Prime Minister if he acknowledges that, with Bill C-96, Ottawa is acquiring the means to meddle further in manpower training and will therefore increase overlap and waste to the detriment of the unemployed and Quebec's jurisdiction?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, obviously the Leader of the Opposition has not taken the time to read the bill. There are no new

powers given to the human resources department, as he may well recall.

The human resources department is an amalgamation of four other departments to provide a more effective delivery of services across Canada. The powers under article 6 were also contained within the existing departments. Over the past year they have allowed us to have almost 50,000 different contracts and agreements with a wide variety of groups, including the province of Quebec and the Government of Quebec in order to better assist Quebec workers to get back to work and to help with training. We have done that in a very co-operative way.

I hope the hon. Leader of the Opposition will not go off on another wild goose chase but will look at the legislation and see there are no new powers. We are simply trying to make a more efficient delivery of what the government wants to do which is help people get back to work.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I would remind the Prime Minister and his minister that the Société québécoise de développement de la main-d'oeuvre is a non partisan organization, which brings together all stakeholders in Quebec, which knows how to read bills, and which saw in this one a dangerous encroachment upon Quebec's jurisdiction.

I would ask the Prime Minister whether he acknowledges that, with this bill, his government is going against the very broad consensus in Quebec in favour of repatriating financial responsibility for manpower training?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Human Resources Development said it clearly a few seconds ago. He said that the bill before Parliament at this moment is aimed at amalgamating government agencies that were under different departments, and the powers delegated to the minister at this moment are exactly the same as those in previous legislation.

At this point, with all the provinces, including Quebec, we are trying to make administrative arrangements to reduce duplication. The minister, in fact, signed a number of agreements with the Government of Quebec over this past summer.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the government cannot minimize what is going on. It is an unprecedented assault on all legislative fronts, which is aimed specifically at giving the federal government the means to meddle once and for all throughout an area of Quebec jurisdiction, messing things up further than they already are at the moment.

I would remind the Prime Minister that the Société québécoise de développement de la main-d'oeuvre's denunciation of the federal bill was unanimous and had the support of Ghislain Dufour, president of the Conseil du patronat and a member of the no camp.

Does the Prime Minister consider the position taken by his federalist ally a mere caprice as well and will he also sweep him away with a wave of his hand?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this is quite a pleasant about face. Yesterday, I was being criticized for forcing all businessmen to be on my side. There are some who do not agree with us. That is what democracy is all about.

• (1420)

I am not asking everyone to be on our side. At the moment, we are trying to give the Minister of Human Resources Development the legislative means to ensure programs are better co–ordinated. At present, we are trying with the provinces, including Quebec, to find ways to decentralize and administer them so that Canadians may benefit directly from them.

I do not think our plan is to build a bigger public service in Ottawa. We proved that recently by cutting 45,000 public service positions in the federal government. If we were here to build empires, we would not be laying off 15 per cent of the workforce.

If we can deliver services to people better than we do at the moment, we are always ready to look at the options, but our objective is to ensure that regions in Canada with more unemployed receive essentially the same benefits as regions that are well off.

Our job, as the Government of Canada, is to ensure that well off regions and prosperous citizens are able to help those, across Canada, in the Maritimes as in Quebec, who are, unfortunately, in the difficult situation of being out of work at the moment.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Yesterday, the Société québécoise de developpement de la main–d'oeuvre strongly denounced Bill C–96, saying: Quebec alone will hold the responsibility for manpower adjustment and trade training policies on its territory and will therefore repatriate the budgets allocated by the federal government for these programs in Quebec.

Will the minister agree that the federal government's plans confer upon it the possibility of entering directly into an agreement with any individual or organization of its choice, thereby turning its back on the consensus of the partners making up the SQDM and their priorities and on the unemployed of Quebec?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member for Mercier knows better than that because she has been carefully following many of the developments and initiatives we have taken.

Under the existing legislative authority which would simply be ratified in the new bill we have an agreement with the Government of Quebec to provide assistance to older workers who have been displaced from their jobs.

We buy annuities. Last year we helped close to 2,000 workers in Quebec. It simply gives us the authority to purchase those annuities to help those older workers retain some income when they cannot get a job.

It seems the hon. member for Mercier is telling the federal government that we cannot work with the Government of Quebec, we cannot help older workers, we cannot buy annuities and we cannot help people who are displaced from their jobs. It is an advocacy of a do nothing approach to helping people who do not have jobs.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, after a careful and most thorough examination, we find no previous legislation which gave legal and constitutional power to the government to sign agreements directly with individuals and organizations. This is what we are denouncing.

Does the minister acknowledge that all he has to offer Quebecers is an agreement which Daniel Johnson himself labelled, as did the present Minister of Labour, a bargain basement agreement and refused to sign because it did not correspond in the least to the consensus in Quebec.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member has made a very gross error in factual information. She said that somehow we are acquiring new powers. The legislation simply confirms existing mandates under the jurisdiction of Parliament on things like the Unemployment Insurance Act and the Department of Labour Act.

As a result, last year under existing authorities which will simply be confirmed by the new act, we signed close to 10,000 contracts with not for profit organizations. We signed 9,300 contracts with private firms. We had 2,800 contracts with public sector organizations and municipalities. We even have a number of contracts with the Government of Quebec which we have signed. For example, when the Hyundai plant in Bromont was going down we worked closely with the Government of Quebec to collaborate and help displaced workers.

• (1425)

We are already doing those things under existing authority. We are simply trying to have administrative simplification and cohesion so we can provide better service to the people of Quebec.

PEACEKEEPING

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, after years of peacekeeping under very difficult circumstances our ground troops are finally coming home from Bosnia. Our troops have done the very best job possible and all Canadians are extremely proud of them.

While the government blasted the Reform Party for suggesting a withdrawal, when the UN told it the same thing last night it immediately fell into line. Now that our troops are coming home will the Prime Minister guarantee that before Canada commits to any future missions Parliament will be allowed to establish a clear set of criteria for all future military commitments?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Canadian soldiers in the former Yugoslavia for the last three years have performed an excellent duty. That is recognized by everybody.

The United Nations decided the battalion in Visoko is not needed any more because it is within an area completely controlled by the Bosnian government. We will repatriate its members with pleasure and thank them for a job extremely well done.

We were there because the UN asked us to be there. Now the UN says they do not need to be there any more, and so we will bring the troops back to Canada.

For the first time ever we have had debate on this in the House of Commons. I have seen the Reform Party change its position two or three times since the beginning. For our part we have always been behind the UN and behind the Canadian soldiers who are considered the best there.

Now the mission is over. We are happy. The troops will be back in Canada with the satisfaction of having accomplished an excellent job in Visoko. We are all proud of them in Canada.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the mandate in Bosnia disappeared months ago. We have been calling for the withdrawal for months now. Canadians are demanding to know before they commit to these sorts of missions what they will cost.

They want to know how long we will be there. They want to know whether we can deliver the mandate being given to us. They want to know whether we will be part of the decision making process or whether we will simply be followers.

Can the Prime Minister tell Canadians the government has learned a lesson from this mission and that it will promise to let Parliament be involved and have a free vote on developing criteria for peacekeeping?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the mandate we accepted in February after a debate in the House of Commons was until the end of this month.

We respected the mandate. The UN now says it does not need the Canadian troops because it wants to reduce the number. We are happy because if we bring them back to Canada they will be better off.

Canada is always available when people are in very difficult circumstances, when there is misery and when people have been killed to protect families, children and so on. We have always been there. We will do it again and there will be a debate in the House of Commons.

The peacekeeping mission was created by the Canadian government. The peacekeepers who are so well known in the world were created by Prime Minister Lester B. Pearson, my predecessor as leader of the Liberal Party. It was done at the time of the war of Great Britain and France against Egypt. He had the guts for the good of the peace of the world to say to the British and the French that war had to stop.

It is in the tradition of Lester B. Pearson that we are making our decision in relation to the UN.

• (1430)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I think this is typical of how the government reacts to issues. It is in the past. It lives in the past. It gives us a history lesson. What we really need to do is look to the future. The 21st century is coming. It is going to be different. The old line politics will not work any more.

The government is trying to claim victory on the backs of a decision made by the UN. It is about time that it admitted that we need these criteria, that people are demanding these criteria, and that people are really interested in this.

I wonder if the Prime Minister will be just like the last government and do things in secret and then try to somehow rubberstamp them by bringing them here after the decision is made.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I can see how desperate they are.

The member talks about the past. Yes, the past was last week when the Minister of Foreign Affairs made a very important speech at the United Nations recommending the modernization of the United Nations. What the hon. member should do to complete his education is read the speech of the minister.

[*Translation*]

MANPOWER TRAINING

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, my question is directed to the Minister of Human Resources Development.

Clearly the minister is about to make the same mistake with Bill C-96 as the Minister of Industry in the case of Bill C-88 on interprovincial trade, by unilaterally assuming powers that negate the responsibilities of the provinces. I may recall that after scoffing at the objections of the official opposition, the Minister of Industry had to acknowledge his mistake and back down.

If the minister does not intend to go over the heads of the provinces, why does he use clause 6 and clause 20 of the bill to acquire the means to do so? It is there in black and white.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we have done quite the opposite.

As I have said in the House before, when the minister of employment was given her new task I immediately wrote and suggested that we negotiate the whole question of the labour market issues in Quebec with a view to taking a look at 75 per cent of the programming we do in that province and developing a different set of authorities, joint planning, and transferring certain responsibilities. The answer from the minister of employment was no, she did not even want to talk about it.

I tried again. I wrote back to her and said let us do a joint study between the SQDM, the Government of Quebec and my government on duplication and overlap. I made the offer, saying that we would jointly pay for it. Again the minister of employment refused to answer.

My point is I cannot force the minister of employment in Quebec to co-operate with me. I would like to have that co-operation. I want to work out how we can get a better delineation of responsibilities. I urge the hon. member to go back and talk to the minister of employment in Quebec and ask her when she is ready to co-operate. As soon as she says yes, I will be there.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, apparently the minister would like to be Canada's minister of education. Would the minister agree he is taking the means to circumvent the provincial governments because he wants to establish a national strategy for intervening in manpower issues, which may be acceptable to other provinces but flagrantly contradicts the general consensus expressed many times on this matter in Quebec?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is quite the contrary again. The member should know, because he has been in the House now for two years, that what we have arranged is a very good, co-operative arrangement in the area of student assistance. We have the Canada student loans program. Quebec has its own program.

When we reformed our program this summer and brought in programs to provide specific grants for disabled students and students with high income needs that would enable them to go school earlier, we transferred that money directly to the province of Quebec so it could offer the same programs to its own students. Now that is the notion of flexible federalism: not a takeover, but a way of working in co-operation.

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NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question speaks to the mismanagement at the highest level at the Department of National Defence and is directed to the Prime Minister.

• (1435)

Every day we have seen another leadership crisis in the Department of National Defence. The minister and the CDS are publicly at war. These are Liberal problems, and the government uses the inquiry to justify inaction. The Canadian Armed Forces are demoralized, dispirited, and cannot wait until June 1996 for the government to act.

Why is the government failing to deal with these daily scandals at the Department of National Defence?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, if there is any demoralization of the Canadian forces I can assure you it is aided and abetted by the irrelevant questions that are put forward by the members of the third party.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Minister of National Defence has mishandled de Chastelain, Kenward, Vernon, Labbé, and it goes on and on and on every single day.

My question is directed to the Prime Minister. The Liberal government has done nothing to correct the leadership problems at DND. The Prime Minister's confidence in his Minister of National Defence and the Chief of Defence Staff is misplaced. Will the Prime Minister solve the leadership problem and demand the resignation of the Chief of Defence Staff and his Minister of National Defence?

[*Translation*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have confidence in the Minister of National Defence and the Chief of Defence Staff. We are now discussing a problem that arose in Somalia before we formed the government. We will try to get to the bottom of this. We took the initiative to have an inquiry on the subject, and I think that so far, the minister, the Chief of Defence Staff and particularly the parliamentary secretary to the Minister of National Defence are all doing an excellent job.

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MANPOWER TRAINING

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is absolutely incredible to see the Minister of Human Resources Development talk about the Quebec government's refusal to co–operate on manpower issues when at this very moment, he has a bill in which he assumes powers he never had before, which constitute an incredible and unprecedented invasion of the jurisdiction of the Government of Quebec over manpower. So much so that it was even criticized by hard core federalists in Quebec. You can only go so far.

Would the Minister of Human Resources Development agree that this bill marks the first time the federal government acquires the legal authority to go directly over the head of the Government of Quebec? Will he admit it?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member is being a little silly, frankly.

Some hon. members: Oh, oh.

The Speaker: I would ask all hon. members to please choose their words carefully.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I will rephrase it to say the hon. member has strayed substantially from the line of logic and reason.

I simply quote to him clause 6 of the bill. It is in black and white: "The powers, duties and functions of the minister extend and include matters over which Parliament has jurisdiction". That is the existing act. There is no difference. Nothing has changed. Nothing is altered. Nothing is amended. Everything is the same. We simply are able to work out the kinds of agreements and arrangements with provinces that the department of labour, the department of employment and immigration, the department of welfare, parts of the department that used to be in citizenship have all done over the past 30, 40, 50 years. Nothing has changed. We are working on the legislative base that exists. We are simply consolidating the powers because the department has been consolidated.

• (1440)

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is really too bad that the Minister of Human Resources Development should stoop to name–calling, the logic of the weak, the logic of those who have nothing to say. He would be better off answering the question. We would rather have answers than arrogance. Quebecers would appreciate that.

I will direct my question to the Prime Minister, and maybe then I will get an answer. Would the Prime Minister agree that the bill introduced by his Minister of Human Resources Development is a perfect illustration of the federalism by administrative agreement he is proposing to Quebecers, in other words: first step, Ottawa assumes all powers over a given jurisdiction; second step, it asks the provinces to come and beg to have these powers back, and third, I am sorry to add, he calls them names when they do?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the minister just explained very clearly something that is quite straightforward. A number of departments were amalgamated to put all human resources together. The powers given to the minister are the same as they were in each department separately.

The bill clearly says that no new powers have been given to the minister. What we are trying to do is use certain decisions and administrative agreements, which will necessary vary from province to province because some are more interested than others, as a way to make adjustments appropriate to the needs and wishes of each province.

This is federalism at its most flexible, and there is no—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): Especially since they keep saying we are empire building. Again, I want to say that we have just cut 45,000 jobs within the federal government. That is not because we want more power and more bureaucrats. The minister eliminated 5,000 jobs in his own department to make his operations even more effective and less costly for the people of this country. We are accused of empire building, when we are being extremely accommodating.

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[*English*]

THE ECONOMY

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the IMF said yesterday that the government should move faster to reduce the federal deficit to safeguard economic growth. The Auditor General of Canada said today that longer term targets for debt should be identified beyond the two–year rolling targets that have been put forth by the Minister of Finance.

Will the Minister of Finance commit to the House that he will introduce legislation to assure Canadians and the IMF that the debt will finally be controlled?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development— Quebec, Lib.): Mr. Speaker, the IMF in its report was quite complimentary of the actions the government has taken. The report of the Auditor General of Canada was equally complimentary of the actions we have taken, both in terms of deficit reduction and in terms of the publication of information.

I have made it very clear that the process that was employed by the previous government, which was to simply set a series of long term targets, most of which occurred after an election and were never attained, was not a process we were going to follow, that in fact the series of rolling two–year targets was far more beneficial. As a result of that the government has consistently hit every single target it has set.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the IMF wants to know when the debt is going to be under control. The Auditor General of Canada wants to know when it is going to be under control. Canadians want to know when it is going to be under control.

I ask the Minister of Finance if he knows, beyond his two–year rolling targets, when the deficit will be eliminated.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development— Quebec, Lib.): Mr. Speaker, control is a condition of credibility. The government has re–established the credibility of government in terms of its projections and what it does. Control arises when a government very clearly not only hits its targets but in fact brings forth balanced legislation, a balanced program to do what it set out to do.

• (1445)

Our goal is deficit reduction but let us never forget that deficit reduction is an ingredient of this government's number one goal which is to make sure that more and more Canadians are working. That is what we are going to do instead of engaging in the slash and burn destructive policies of the Reform.

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[*Translation*]

FEDERAL DEBT

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, my question is for the Prime Minister.

The auditor general just tabled his second quarterly report. With the federal debt approaching $600 billion, he feels that Parliament and the Canadian public need more information, particularly regarding the size of the debt and the choices taxpayers will have to make.

Will the Prime Minister admit that, by waiting for the referendum to be held before giving the bad news about cuts to social programs, he is unduly delaying a public debate on the choices to be made, as requested by the auditor general?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the auditor general fully agrees with us that, before this debate can take place—and we are all in favour of this debate—there should at least be statistical data and figures available. He made this quite clear. Last year's figures are not ready yet. As soon as they are and as soon as we get an invitation from the committee, we will gladly go before the committee.

Having said that, I would like to mention what the auditor general asked us to do. He asked us to produce an annual financial statement, and we did. He asked us to provide the public with more information on our tax expenditures, and we did. He asked us to produce an annual economic update; we did so for our first two budgets and will do so again this time around.

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I have a supplementary question.

The auditor general also contends that our choices are becoming increasingly difficult.

My question is for the Minister of Finance. Will the Minister of Finance admit that this statement by the auditor general explains his government's strategy, which consists in hiding all the bad news until after the Quebec referendum?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Hide, Mr. Speaker? Tell us what a sovereign Quebec's debt level will be. Tell us how much higher interest rates will be in a sovereign Quebec. Tell us how much higher taxes will be in a sovereign Quebec? Let us lay all the cards on the table. Tell us the truth. He should tell us the truth, Mr. Speaker, about the negative impact of independence in Quebec.

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[*English*]

CFB SHEARWATER

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, my question is for the Minister of National Defence.

In the budget of two years ago, measures were announced regarding the downsizing of Canadian Forces Base Shearwater which resulted in the loss of about 700 jobs. Through perseverance and hard work that community has adjusted. However, new and unnamed DND sources are now being quoted in the media as saying that the Department of National Defence intends to completely close that base down this fall which would result in the loss of an additional 1,400 jobs.

I ask the minister to remove the anxiety these recent rumours have caused to that community by stating clearly that these latest rumours bear no relationship to the plans this government has for CFB Shearwater.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for Dartmouth for his question.

As announced in the 1994 budget, the operation at Canadian Forces Base Shearwater has been integrated with Canadian Forces Base Halifax across the harbour. Certain parts of the operation, strictly air, are being moved to Canadian Forces Base Greenwood.

Savings have been effected essentially by reducing the air operation at Shearwater from a full airport operation, as the hon. member knows, to a heliport operation. This is a very viable operation as it turns out and there are no plans to move it.

In summary, I am advised there are no plans to close the Shearwater site at this time.

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IPPERWASH

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, my question is for the solicitor general.

• (1450)

Last night the radical native squatters burned down another building at Camp Ipperwash to continue their reign of terror against the people of Bosanquet. The police and town fire department refused to attend because previous threats of violence were made against them.

For the last two years the town council of Bosanquet has been demanding that the federal government do something to restore law and order. Why is the minister not responding to the requests of the town council? Why does he continue to cater to thugs who thumb their noses at the laws of this country?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, there are established procedures for the federal government to provide assistance to local law enforcement authorities.

It is very simple. If Ontario feels it cannot handle the situation and asks the federal government for assistance, it will give a prompt and effective response to the request. The road of action is very clear. We are not catering to thugs. As I said, if Ontario wants federal government assistance then the means of making that request are very much in place.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I am sick to death of hearing about jurisdiction from the minister. Furthermore, I am saddened by the fact that this minister does not have the guts to protect Canadians—

Some hon. members: Oh, oh.

The Speaker: My colleagues, many times we are carried away on the spur of the moment and sometimes we use terms that could in other circumstances be judged to be unparliamentary.

I ask the hon. member to please refrain from that type of language and I ask him to please put his question.

Mr. Hanger: Will the solicitor general order the RCMP into the area to assist the OPP in putting an end to this rebellion or else will he go to Bosanquet and explain to the people why he will not act?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I said very clearly that I and the federal government are ready to act. All that is required is for the town council to go to the Ontario government and if the Ontario government says it cannot handle the matter, then we are ready to step in. If my hon. friend does not realize that simple fact, then he is not doing his job.

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[*Translation*]

ACCESS TO INFORMATION

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Prime Minister.

Two days ago in this House, the Prime Minister stated, and I quote: "Information can be sought under the Access to Information Act. Any citizen can request information from government departments".

After inviting the official opposition to use the Access to Information Act, how does the Prime Minister explain the fact that, in the past seven months, the Privy Council has systematically turned down every single request submitted by the official opposition under the Access to Information Act?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Privy Council receives requests, as provided for in the act. Some documents cannot be released under the act, under the regulations. This act was passed by Parliament. Internal communications between ministers, in any government, are not made available to people from outside. That is normal. The Privy Council is, however, instructed to release what must be released under the act.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, again, the government has a perfect score: 17 out of 17 requests for information have been turned down. Not a bad average.

In that case, why does the Prime Minister refuse to release the studies on overlap and duplication, whose existence was confirmed in the secret Industry Canada document? That much is clear.

• (1455)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Intergovernmental Affairs gave a more than adequate explanation on this matter a few days ago in this House.

* * *

[*English*]

AGRICULTURE

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, my question is for the minister of agriculture.

Canadian farmers have been delivering wheat and barley to the United States, often clearing Canadian customs without a Canadian Wheat Board export permit. On Tuesday, three American trucks hauling barley from Canada were seized by customs as they tried to enter the United States. Previously, these same trucks with the same product were allowed to enter the United States.

Is it legal or is it illegal? Are exports permitted or are they refused? Will the minister tell confused farmers why some trucks are seized and others are not?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the law on this point is very clear with respect to export of wheat and barley from Canada. Obviously the appropriate paperwork and authorization from the Canadian Wheat Board are required. When that paperwork is not provided the export is contrary to the regulations. Those regulations are enforced in due course as the law requires. I trust the Reform Party is not advocating violations of the law.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, actually the law is not always enforced. Farmers do not know what the law is because there is no standard.

The minister in charge of Canadian customs, the Minister of National Revenue, has received notice that today trucks carrying farmer owned wheat and barley will pull in at Canada customs at the Peace Gardens in Manitoba. I would like to know if the minister has given orders to customs officials to seize the trucks or if he has given orders to let those trucks pass through into the United States?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the officials of the Government of Canada, whether they work for my department or Revenue Canada or any other department of the Government of Canada, need no instructions to do their job. They know what their job is and they will exercise their responsibilities.

* * *

[*Translation*]

OFFICIAL DEVELOPMENT ASSISTANCE

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs. It appears that members of the Bloc Quebecois cannot decide whether or not they want the federal government to spend money in Quebec.

Does Quebec get its fair share of economic benefits from official development assistance?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, finally a question that will certainly interest our friends across the way.

Mr. Chrétien (Saint–Maurice, Lib.): Excellent question. We had been expecting it for a long time.

Some hon. members: Oh, oh.

Mr. Ouellet: Mr. Speaker, they obviously do not like being given figures that clearly show how good Canada and the Government of Canada are for Quebec businesses and to Quebecers.

As for official development assistance, 30 per cent of supplies come from Quebec, and 33.4 per cent of registered consultants are from Quebec.

An hon. member: One hundred per cent of them Liberals.

Mr. Ouellet: More than one third, or 36.3 percent, of all contracts go to Quebec.

I can hear a voice shouting: "Liberals". I will remind my hon. friends opposite that one of the organizations that benefit the most from CIDA's assistance is Hydro–Quebec.

Some hon. members: Oh, oh.

Some hon. members: Ah.

* * *

RESEARCH AND DEVELOPMENT

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Prime Minister. On Monday, the Minister of Intergovernmental Affairs and the Prime Minister both said that Quebec was receiving more than its share of federal moneys for science and technology. However, the secret document prepared for Operation Unity clearly shows that, in 1993, Quebec only received 17.1 per cent of the federal moneys spent on research and development.

Given the figures provided by Industry Canada, will the Prime Minister recognize that he was wrong when he claimed that Quebec was getting its fair share, and that in fact our province was treated unfairly as regards the establishment of federal research centres?

• (1500)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, surely the hon. member is aware of the efforts made by the government of Canada to ensure the establishment of a very important industry in her own riding.

It always comes as a surprise to hear opposition members ask questions on sectors in which Quebec is undoubtedly the leader among all Canadian provinces. I thought the hon. member would have been pleased by such a success in her own riding.

* * *

[*English*]

INDIAN AFFAIRS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, on Monday the membership of the Frog Lake reserve in Alberta ousted its chief and paid him $25,000 to leave. It is frustrated that the Indian Act does not empower individual band members.

When will the minister introduce a mandate for other government departments such as Revenue Canada and the auditor general to ensure accountability of federal funds so that members of bands will feel protected, and not just their chiefs?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the Frog Lake band situation is not as simple as that, as the member should know since she lives approximate to it, although very seldom visits it.

On Frog Lake there is an issue between those who want to have housing and those who want to have a band office to the extent that the chief's health—he is a good chief—has deteriorated significantly and he wants to leave.

The hon. member would serve her constituents in a budding band in a more fruitful manner if she would go there and help that chief because he is in a very difficult situation and in ill health.

* * *

THE ECONOMY

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Finance.

The government continues to indicate that social and health programs are the major cause of debt and deficit but as the minister knows and has said in the House, it is tax loopholes and the high interest rate policy.

Today's auditor general report reaffirms that Canada's level of foreign indebtedness is the highest among major industrial nations and that this foreign indebtedness is threatened by control of monetary policy.

I ask the minister if he would consider two measures to start taking control of our monetary policy. One is whether he would reinstate reserve requirements for the chartered banks with the Bank of Canada which would allow the bank to assume more of Canadian debt, and whether he would reduce the 20 per cent foreign investment option with RRSPs which would encourage Canadians to invest in Canada.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development –Quebec, Lib.): Mr. Speaker, the hon. member has properly identified a problem the government in its deficit reduction program has identified and is seeking to address, the very high level of foreign indebtedness which exists primarily in the private sector and in a number of provincial government borrowings.

I do not believe, however, the solutions brought forth by the member really suit. We must increase the percentage of Canada's savings.

As far as the reserve requirements of the banks, if we are to create jobs we want to make sure our banks are competitive with other banks.

As far as the 20 per cent rule, we have looked at it. As members know, there have been recommendations that the 20 per cent rule be increased. Those are not recommendations I would be inclined to accede to at this time.

The Speaker: This brings to a close question period. I have the usual question for Thursday. I will take that first and then go to a point of order.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is for the leader of the government in the House. I want to ask him if the legislative agenda of the upcoming weeks will be as light as the one of the last few weeks.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I am surprised the opposition House leader does not consider major measures with respect to public safety like witness protection and updating our parole system and improving the system of regulation of transport as serious and important.

• (1505)

The hon. member and his colleagues have fully participated in these debates. I think the public will agree, even if he does not, that we have had and will continue to have a serious and important legislative program.

Our priority today and tomorrow will be third reading stage of Bill C–64, the employment equity legislation. I wonder if he is saying to one of his colleagues he does not consider that an important bill. If this bill is not completed when we adjourn tomorrow we will resume its consideration on October 16.

Following that, we will call Bill S–9 involving the U.S.–Canada income tax convention, followed by any other bills that have been or are about to be reported from committees. A number of bills are in the late stages of consideration in committees and we hope to have them reported soon.

We will then call second reading of the bill creating the Law Commission of Canada to be introduced tomorrow, followed by the tax convention legislation that was introduced this morning.

I am pleased to give this statement of the important and substantial government business, the balance of which we will be calling for this week and after we return from the break for Thanksgiving.

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POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this arises out of question period when the minister questioned my commitment to Frog Lake. I would like it on the record that I have lived on the reserve and taught on the reserve. I have had foster children living with me from that reserve. There is no way to question my commitment to those people and the crisis they are facing right now.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

HUMAN RIGHTS AND STATUS OF DISABLED PERSONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion:

That four members of the Standing Committee on Human Rights and the Status of Disabled Persons be authorized to travel to Halifax, Nova Scotia to attend the meeting of provincial disability advisory councils October 17 and 18, 1995.

(Motion agreed to.)

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.) moved that Bill C–64, an act respecting employment equity, be read the third time and passed.

He said: Mr. Speaker, as the House leader said a few minutes ago, this is a very important legislative initiative by the government.

In introducing it on third reading, I take the opportunity to thank several colleagues in the House. As members will recall, we introduced the bill with something of a legislative experiment. Rather than going to the normal first and second readings, we introduced it after the first reading so that a legislative committee would have the full opportunity to actually shape the bill. In this way it would not simply be a matter of responding to a series of government propositions but would actually take a major role in defining and designing the elements it felt would be most important.

I thank the members of the committee on human rights and disabled people for their enormous amount of work, the number of hearings and the amount of time they have given. That applies to members on all sides of the House.

I also give my appreciation to the Secretary of State for Youth and Training and to my parliamentary secretary who have both worked very diligently in making sure the bill was again effectively presented to the House. At report stage we were able to get, as I see from *Hansard*, a very effective debate and response.

• (1510)

A good sign of the way that worked is when the opposition party presented amendments which improved the bill and we were prepared to accept those amendments and work with them so the bill would be a better piece of work. I compliment those members who have worked so hard on this legislation.

Bill C–64 has one fundamental purpose, to remove the systemic barriers that prevent people from going to work. We can put it all together in one sentence but since I have 30 minutes I will take more to elaborate.

What we really mean is that over the years practices, attitudes and conventional habits have built up in a wide variety of workplaces which have prevented people from using their God given talents and abilities not because of their merit but because of some label attached to them.

I am not referring to outright bigotry or discrimination but the kind of informal practices and rules that develop over the years, over generations, that simply build up a series of handicaps,

barriers and obstacles which prevents people in the workplace to get their full rights to participate.

Numbers of women, aboriginal people, disabled people and visible minorities have been denied equal open access to fully develop and explore their potentials in the workplace.

Ten years ago I had the privilege of establishing the Abella royal commission, headed by Judge Rosalie Abella from the court of Ontario, to look into this large question of systemic discrimination in the workplace. Justice Abella tabled a very historic report. Unfortunately by the time the report was tabled the people of Canada had decided in their own good wisdom to send me and a number of my colleagues on an extended sabbatical on the other side of the House. Therefore I was not in a position to fully implement those recommendations. It was up to the previous government to implement the recommendations of the Abella commission.

It brought in the Employment Equity Act which passed in 1986. It required employers in the federal jurisdiction that employ over 100 people to implement employment equity and to report on their progress.

If we look at the original Employment Equity Act, while it was full of wonderful language and high sounding objectives and phrases, it lacked some very major components. It was a form of legislated volunteerism. There was no enforcement. It was simply a good wish list of things people were allowed to do.

Therefore when it came time when we wanted employers to take positive steps to improve the access and openness of the workplace and they refused, there was nothing to be done. As a result there have been over the years a number of incidents in which employment discrimination has continued to prevail.

The other major flaw in the 1986 legislation is it did not apply to government. It was the classic case of do what we say, not do what we do.

It was in recognition of those two major flaws of the original bill that in the red book we put forward to the electorate in 1993 we committed ourselves to making major changes in the Employment Equity Act.

The legislation before us today on final reading is designed to meet those two major omissions. It is to fulfil the commitment we gave to the Canadian people in 1993 when they gave us a mandate to implement it. It is to give the Employment Equity Act some authority to carry out measures to reduce discrimination and to make it applicable to the federal government in its own workplace.

The bill increases the authority of the Canadian Human Rights Commission to conduct an audit of public and private sector employees to ensure they are in compliance with the principle of employment equity.

• (1515)

It also provides that the Canadian Human Rights Tribunal, when needed, can in effect transform itself into an employment equity tribunal to guarantee that the legislation respects the rights of all Canadians regardless of whether they are employees or employers. There is a right of appeal.

[*Translation*]

This bill will have a positive impact on Quebec. More than 150 employers and approximately 350,000 employees will be affected by this initiative.

Those Quebecers will be entitled to a stronger system, with the human rights commission and a tribunal if necessary to ensure that employment equity is being implemented.

As well, application of employment equity measures within the public service will be fairer. It will give women, the disabled and other designated groups equity in employment, training or promotion. I feel that this represents a proper response to the demands of Quebec women and the needs of the disabled, aboriginal people and visible minorities.

It is my belief that the bill demonstrates the commitment of the federal government to take progressive measures for Canadians and for Quebecers.

[*English*]

Despite some of the comments concerning the bill, it is not about quotas. Let me make that very clear. That language was used in debate yesterday. It is not about quotas. In fact the legislation specifically prohibits quotas. Anybody who attempts to insert the notion that we are following in some cases the example of the legislation the Americans introduced 20 or 30 years ago is not being fair or straightforward when the word quotas is used since the act specifically prohibits them.

Neither is the bill about reducing qualifications to allow more non–qualified people to enter the workforce. It is a bill about lowering barriers, not lowering standards. That is the basic purpose of the bill.

We are attempting with this legislation to make sure the Canadian workplace fully reflects the richness and diversity of our population, that all individuals will have an equal chance of being considered for a job, a promotion or a chance to improve their specific place and status in the workplace.

The bill is not about replacing the merit principle with something else, far from it. I make the case it strengthens the merit principle by making sure in no uncertain terms that everybody who has merit will not be overlooked. Over the years people with enormous qualification, with enormous merit, with enormous sense of ambition and motivation never had the chance to fulfil that potential because in the workplace have been obstacles, barriers, filters and screens that oftentimes have been built up without people noticing they were there.

Sometimes qualifications were based on size. Sometimes qualifications were based on saying that women for example could not do certain physical tasks even though it had never been proven. Yet in the last few years in police forces, the armed forces and fire prevention forces women and men have been shown to be equally capable of carrying out the entire multitude of tasks required in those dangerous occupations.

• (1520)

Equity in the workplace means a better workplace. Study after study show that those companies that introduce equity as a fundamental principle in human resource planning become better companies; more productive, more competitive, more efficient, more effective.

I listened with some interest and read in *Hansard* some of the comments from members of the Reform Party about the legislation. I suppose if I were to summarize, and I do it with great hesitation because I do not want to put words in the mouth of the hon. member, but it basically says, let the market decide. Let it choose who it wants to use and what is best for it.

Some progress has been made. Some companies have moved forward and I give them full credit. However I say to members of the Reform Party that more is needed. Where we are now is not enough. I want to quote to members a couple of interesting comments. There are times when they may be tempted not to take my word as gospel, but let me try on them the United Nations report on development.

I quote from this year's report: "The free workings of economic and political processes are unlikely to deliver equality of opportunity". The market can do some things wonderfully well. It can make products, deliver services, make a profit, generate growth and jobs. However it is not very good when it comes to ensuring there is full equality of opportunity for everybody. That is why we have government, to provide a balance and make sure there are some rules, make sure that everybody is treated fairly.

The happy consequence of being a Canadian is that we have always found a nice balance between the public service consideration and the market consideration, that we find a way of working the two in tandem. I believe the legislation in Bill C–64 is a good example of that.

To make the point further, I quote from the Business Council of British Columbia, which is made up of senior business representatives from throughout the province: "Employers alone cannot achieve employment equity. Employers want to be part of the solution in partnership with government, unions, employee representatives, educational institutions and designated group organizations". When speaking, they used a very important word, partnership, a partnership to achieve equality. If I had to put a label on this bill I would say that is what it is about; partnership to achieve equality in the workplace.

The reality faced by many women, members of visible minority groups, aboriginal peoples, those with disabilities is not the reality of the average white male when it comes to employment and earnings. We have been a privileged group for generations. As a result, other members of society have fallen behind.

Fifty–one per cent of women are employed in sales, clerical work and service positions as compared to 20 per cent of males. Women earn only two–thirds of what men earn, even holding education as a constant.

Everyone in the House, I am sure, was cheered by the recent United Nations development index which put Canada number one in the world on matters of literacy, training and education, investment in people and quality of life. When gender is factored into the equation we fall to number nine. It simply shows that something is wrong. This bill is designed to correct that.

I heard comments in the debate yesterday about visible minorities and that maybe they should not be included. Again, the facts counter that because the visible minority group, which on average has a higher education than the average Canadian, makes close to $10,000 less. The correlation in that should tell us something. The workplace is not being fair, open and accessible.

• (1525)

We hear every day the eloquent words of the Minister of Indian Affairs and Northern Development of the plight of First Nations people whose levels of unemployment are sometimes 40 per cent, 50 per cent or 60 per cent and whose average income is less than $10,000, which is one–fourth of what the average Canadian makes.

An article in today's *Globe and Mail* is headlined: "Canadian business chided for ignoring native market". Ms. Pamela Sloan is a principal in the Toronto consulting firm of Hill Sloan, which just published a report on corporate aboriginal relations. The article states that the public and private sectors have made successful attempts but it is not enough. She says to the business community: "You should introduce measures of equity because it makes good business sense to do it".

It was interesting to hear as we have gone through this debate how broadly recognized that fundamental fact is. Canadians have come to understand, whether they are in the public or private sectors, the need to address the systemic exclusion of individuals on the basis of gender, race or physical condition from the opportunities to grow, contribute and develop. They understand that this bill is an attempt to create a more level playing field for all Canadians.

I want to cite a statement made in the House. In a sense this gentleman is an officer of Parliament. We have entrusted to him the responsibility of overseeing human rights issues across Canada. That individual is Mr. Max Yalden. When challenged by certain members that this bill somehow is reverse discrimination and works against the interest of males, Mr. Yalden said that "far from falling behind, able-bodied males appear to be getting more than their proportionate share of hiring. Such data hardly convey a convincing portrait of reverse discrimination".

This bill does not take away from some people to give to others, it simply opens it up for all. It ensures that there is fair and equitable treatment.

We should discard the mythology. It is time to get rid of further divisions by somehow putting over here the plight of a male versus the plight of everybody else. We are all engaged in the enormous task of ensuring employment for all Canadians. The workplace is going through a transformation unlike any it has gone through in the history of human kind. With new technology, global competition and varieties of change, it is tough out there. The only way to succeed is to make the workplace and the job market equally accessible to everyone so all those talents will be put to work. One group should not be put on the sidelines and treated differently.

People ask how do we succeed as a country? How do we meet the challenge of a new workplace and avoid the phobia and fear which the Jeremy Rifkins are talking about? I sincerely believe that in today's age the key ingredient which really makes this country tick is its human resources. I may be biased because my department is named human resources, but I feel privileged to be given that responsibility. I see it as such an important element in making this country work. That means everybody has to work—not 50 per cent of the population, not 75 per cent; everybody has to be given the chance to liberate their talent, to free up their creative potential, to give full open choice for them to make the kind of contribution they can make in the workplace.

• (1530)

I will digress for a second, if I might. A few days ago I was asked a question by the member from Regina about the statistics that were tabled last week by StatsCanada on the falling income of Canadian families. It is worth repeating. It pointed out that increasingly the falling income is a product of the increasing lack of participation of women in the workplace, single mothers in the workplace. Over the last several years that participation rate has dropped by almost 15 per cent. That is one of the most significant causes of the falling income of the Canadian family, in particular families headed by women.

We as a government are trying to turn around and devote our efforts to changing the basic structures to prevent that kind of decline. We are looking at a serious initiative on child care, trying to work with provinces and aboriginal groups. We are rewriting our employment legislation to make it more available for women coming back into the workplace to get the tools they need. We are looking at how we can better support young people to get back into the workplace.

That is the kind of response to our evolution, which is not to throw up our hands in despair, not to retreat into the den wardens of the past and try to hang on to the shibboleths of 30 or 40 years ago, but to try to say we can do it, we can make a difference, we can take initiatives and we can pass a law like Bill C-64. That is what we are all about.

There is an impression being left in this debate that somehow this is working against the interests of the private sector and that private enterprise is going rise up in revolt if this bill passes.

If we look at statements made before the committee that my hon. friend from Winnipeg North very ably chaired, look at the organizations that have supported this bill. The Canadian Manufacturers' Association, the Canadian Bankers' Association, the Canadian Chamber of Commerce told the committee that they were convinced that employment equity is actually value added. These companies told the committee that they had discovered that diversity pays a major dividend. It does not cost them money, it makes them money. It gives them improved access to a greater number of highly qualified personnel to choose from. That is what employment equity is about.

Why do we go off running after rabbit tracks and trying to create smokescreens and trying to create a sense that somehow there is this widespread apprehension? It is even interesting to point out that when we look at the debate generated in Ontario during the campaign about the impact of employment equity, most of the employers in Ontario said they want the bill. Do not get trapped by some ideology. Do not get trapped into imported arguments that are taken from some fundamentalist group in the southern United States that thinks employment equity is next to the devil. Our business groups are saying—

Mr. Ian McClelland (Edmonton Southwest, Ref.): Why make it a law then?

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, it is a little upsetting that the hon. member from wherever who arrived in the House about two minutes ago did not hear the first part of the speech where we pointed out why business said they need the law in order to make sure that everybody gets treated fairly.

• (1535)

I have heard from the hon. gentleman opposite, so let me give him a list of other companies from his own region that are endorsing it: Canadian National Railway, the Bank of Montreal, Sun Life, the Royal Bank of Canada, B.C. Hydro. Alberta Government Telephones is endorsing it. I do not know how far he wants to stretch the case, but by extension I suppose we could say that Ralph Klein is in favour of this, or at least his crown corporation is.

To make the point more directly, in a Compas poll that was done of Ontario companies when the debate was going on, only 8 per cent of Ontario companies said they would stop their programs if the employment equity law was repealed, and 68 per cent, more than two–thirds, said that they would continue with an employment equity program once it was established and they had learned the value of it.

There is a value in fairness. Canadians understand it, businesses understand it. The only people who do not seem to understand it are certain members opposite, who are still probably reading whatever strange imported foreign based literature they derive their ideas from. Perhaps if they could look at the Canadian case, look at the practicality of how it has worked, look at the value it has, then we might get more light and less heat from the members opposite.

I am going to speak for a moment to the members of the Reform Party.

Mr. McCormick: There are three here now.

Mr. Axworthy (Winnipeg South Centre): Three important members of the Reform Party.

I think it is very important that the members of the Reform Party understand there are things that government can do and must do well. When they said in their minority report—

Mr. McClelland: Mr. Speaker, I rise on a point of order. I assume that it is not customary to refer to the absence or the non–absence of members.

The Speaker: I did not hear anything about the absence or non–absence.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I am ready to address myself to the vast hordes of Reform members who are on the opposite benches. It is simply a function of education. There are times when I fall back into old habits of trying to say let us learn together in the House.

When they put out in their minority report their opposition based on a false premise, one has to take issue with it. One wonders, as we found today in question period, whether some members of the House actually read the legislation we present. We heard today from members of the Bloc that they had not read the bill on HRD. We tabled it four months ago and they got around to raising questions four months later, which has something to do with a certain date at the end of October, I suppose.

Clearly Reform members have not read clause 6 of this bill: "The obligation to implement employment equity does not require an employer to hire or promote unqualified persons". With respect to the public sector, it requires that hiring or promotion be based on selection according to merit. In the report there are many references to merit being done away with and quotas being imposed, yet the legislation says the opposite.

Clause 33, which I know is way down the bill and takes at least five minutes to get to, reads: "The commission may not give a direction and no tribunal may make an order where that direction or order would impose a quota on an employer". Is that pretty clear, that no commission or tribunal can make any order imposing a quota?

Again, why does the Reform Party, in its members' speeches, its minority reports, in its public language, say that quotas are being imposed? Does it have a secret bill we do not know about? Has it written something we do not know about, which it is going to pop unsuspectingly on the Canadian public? It could be, but it has nothing to do with Bill C–64. It is important we understand that.

• (1540)

Mr. White (Fraser Valley West): Tell them about the RCMP, Lloyd.

Mr. Axworthy (Winnipeg South Centre): He is the one who calls the RCMP all the time, not me.

How much clearer can we be? When we ensure that all deserving people have more chance, more opportunity to apply for a job, get training, get a promotion, does that not mean a better achievement of the merit principle?

When we ask companies to examine their own assumptions about the tangible and intangible qualities it takes to do a job, when we examine what it is we want from our workers, how we can improve their skills, how we can ensure that there are not false barriers based upon old habits and old wisdoms impeding the development of that human resource in the workplace, does that not also improve the achievement of merit?

The employment equity bill is about making merit work. It is real and demonstrable in a practical way in the workplace. It is about opening doors that have been closed for far too long and for far too many people. That is why I believe Canadians support this legislation. They know that our society will work better if everybody has a chance to work.

I quote from a letter I received from a young woman who works in the construction industry. She has been having trouble keeping her job because only 2.4 per cent of construction workers are women. I should say by way of information that we have established a special program in my department called women in trades and technology. We have put together a council of employers across Canada to specifically promote internships

and apprenticeships for women in the trades and technology areas, where only two per cent or three per cent are represented.

This woman did not write to complain or to ask for special privileges. There was no special pleading. She simply wrote to urge me and members of the House to put an end to discrimination in her industry and other industries. She ended her letter by calling on all members of Parliament to pass Bill C–64: "When you review Bill C–64, think of my five–year–old niece, who wants to grow up to be a builder, just like me".

I invite all members on both sides of the House to join in the spirit this young woman represented. She has asked us to be builders, to build something better, something more open, something fairer, so that all Canadians, men and women, those with certain disabilities, those with certain colours of skin, those with certain handicaps that they have faced over time, can all contribute to the building of this country. That is what we are all about.

I believe this legislation, Bill C–64, gives us a tool to be a good builder, all of us. I hope all members will support this bill.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I am pleased to participate in the debate, at third reading, on Bill C–64, an act respecting employment equity.

As we have said many times before, the Bloc Quebecois supports the principle of employment equity. It also recognizes the importance of this legislation, which must absolutely be effective.

Let us look at the events which lead to this bill. In 1970, in the wake of the Royal commission on the status of women, the federal government set up its first affirmative action programs. However, it was not until 1984, following the report of the Commission on equality in employment, better known as the Abella commission, that the foundations for the current equity policies were laid. The Abella report emphasized the need for special measures to ensure equal opportunities for all, regardless of one's gender, race, ethnic origin or handicap.

The current employment equity legislation, which was passed in 1986, applies to employers and crown corporations governed by federal regulations and employing at least 100 people. The act requires that employers improve job opportunities for designated groups, namely women, aboriginal peoples, persons with disabilities and members of visible minorities.

• (1545)

The act also requires that employers eliminate rules and procedures which adversely affect members of these groups, and that employers take concrete action to increase the representation of these groups within their organization. The current provisions also provide for the development of a plan stating the objectives to be reached during a given year, or in subsequent years, as well as a timetable.

Moreover, employers must file an annual report to the Department of Human Resources Development providing all the information relating to the implementation of the act within their organization. That essentially sums up the current legislation on employment equity.

Bill C–64, which is now at third reading, completely replaces that act. The main amendments are as follows. The act will also apply to the federal public service. The elements that must be included in business plans will be better defined. The Canadian Human Rights Commission is now responsible for determining employers' compliance with some of the provisions. It has the power to investigate. An employment equity tribunal is also provided for.

The bill as it stands today by the government is an improved version. During the first debate on this bill 10 months ago, I denounced some of its flaws. I am happy to note that the witnesses who appeared before the standing committee succeeded in convincing some members to improve the bill.

Nor should we forget the amendments proposed by my colleague from Hochelaga—Maisonneuve, some of which were accepted. Unfortunately, there were two with which the committee disagreed and to which I will get back in a moment.

Contrary to what my Reform colleagues claim, I think that a law on employment equity is both desirable and necessary. Let us listen to what Glenda Simms, President of the former Canadian Advisory Council on the Status of Women, said when she appeared before the standing committee last February: "We have been defending since 1975 the idea that the Employment Equity Act is a way to achieve equality for women in the work place. Over the past decade, the extent to which women, as a group, are facing serious and systemic inequalities on the labour market, particularly in terms of compensation, working conditions and job access, is explained at length in many reports both within government and outside. Women are not evaluated on the basis of personal merit, but rather their race, their sex and whether or not they are disabled".

Consequently, women are overrepresented in lower paying positions. Approximately 60 per cent of all women to whom job equity applies have clerical jobs and they are severely underrepresented in management positions. White males without disabilities still hold 78 per cent of management job in the public service.

About the impact of systemic discrimination against women, Ms. Simms said the following: "The cost of discrimination should not be underestimated. Ample proof has been given of the correlation between sex and poverty in Canada. Many studies conducted by the government confirm that women are poorer than men and that, among poor women, those who have disabilities, are immigrants or belong to visible minority groups, as well as native women, are the poorest".

It is not true to say, as my hon. colleague from Edmonton–Southwest and others suggested the day before last, that "it is reverse discrimination, that is means that one can get a job, be promoted or hired on the basis of physical characteristics instead of merit".

This reflects—please excuse my bluntness—a sexist and macho view of the situation.

It is a refusal to face reality, the everyday reality of thousands of Canadians and Quebecers, both women and men. I refer of course to those groups addressed by the bill: women, the disabled, visible minorities and aboriginal people.

This is the reality referred to by Ms. Simms and many other witnesses who came to represent their less privileged fellow workers.

• (1550)

A few figures clearly illustrate their demands. Statistics Canada indicates that in 1993 women working full time earned 72 per cent of what men earned. This is even the way it is at the present time in the federal public service, where women are earning 72 per cent of what men are earning. I trust that rectification of this situation within the federal public service will not be long in coming.

The average income of immigrant women workers, however, was 54 per cent of what immigrant males were earning, and close to 80 per cent of disabled women had an annual income of less than $10 000. This is an alarming situation, therefore, and the way we must adjust our aim is to pass a law such as this. We are also aware that 75 per cent of the ten lowest paying jobs in Canada are occupied by women. According to the Council on the Status of Women, the proportion of women in the lowest paying jobs has increased four times more than their proportion in the best paying jobs. The explanation offered by the council is the division of work along gender lines, leading to an undervaluation of women's paid work, which naturally leads to salary inequities.

The women who organized the great march on Quebec City last spring were reminding us that this state of affairs, this inequality of earnings between men and women, compromises the economic security of women both now and when they retire. As for the other designated groups, we know from the figures of the Department of Human Resources Development itself that they are characterized by a serious underrepresentation of aboriginal and disabled persons and a concentration of members of these groups in the less well paying jobs. The situation is apparently particularly acute for aboriginal people, whether female or male. This is why we need employment equity legislation.

Not content to denigrate the very foundations of employment equity legislation, our friends in the Reform Party blithely deny the harsh reality experienced by our fellow Canadians in the designated groups. Two days ago, my colleague for Edmonton Southwest said: "The premise is that somehow or other Canadians are a mean, regressive, racist, discriminating people. Canadians are nothing of the sort. We are not that. No such discrimination exists in the workplace". So they deny the problem.

"The workplace, particularly outside the federal government, is progressive. Industry leads. It is a totally unnecessary law". This is ostrich politics. We have to ask ourselves why a certain segment of the population refuses to acknowledge that their fellow citizens are victims of discrimination every day.

We have to ask ourselves if it is not because these people do not suffer the systemic discrimination repeatedly confirmed by studies in this area. As a general rule, white men do fairly well compared to other groups. So, contrary to what some people think, we, as a society, need a law promoting employment equity.

As I mentioned earlier, the existing legislation was lacking and needed improvement—hence the bill before us. In Quebec, women have a promise from government that a proactive bill on pay equity will be tabled soon. Under that bill, business will have to create a balanced mechanism for evaluating jobs, in order to identify those who are relatively underpaid. Business will then have a period of time to adjust salaries.

The following sentence in a document produced by the committee for the bread and roses march made it quite clear: "Whereas discrimination is not the exception but the rule and affects all female workers, the adoption of pro–active legislation is necessary". Reform members, if we go by their speeches, have no understanding of the situation in Quebec or of the kind of society we want to become. If they want to try their luck in Quebec, they will have to adjust their thinking to the situation in Quebec and consider the social values we want in our society.

• (1555)

Of course this was about wage equity, while the bill before the House is about employment equity. In fact, the two are closely related. In both cases, the purpose is to close the gap between men and women, between white people and members of visible minorities, between persons with a disability and those who have none. It is about social justice and government policies that will help to deal with the problem.

As I said at the beginning of my speech, the Bloc Quebecois proposed two amendments which unfortunately were not accepted by the committee and which, in our opinion, would have improved the bill.

The first amendment concerns clause 14 of the bill and deals with the preparation of the employment equity plan. We would have preferred to see the plan prepared jointly by the employer and the employees. As the bill stands, the employer only has an obligation to consult with the representatives of the employees which, we feel, falls far short of being satisfactory.

Spokespersons for the National Association of Women and the Law also pointed out that opportunities for employees, their representatives and members of designated groups to participate in the development and implementation of employment equity plans were few and far between. We deplore their absence from this process.

We also suggested that the employment equity plan be posted in public areas in the workplace, for the purpose of informing employees.

Finally, we believe that it would certainly be in keeping with the intent of the legislation for the tribunal, consisting of three persons, to have at least one representative for workers and designated groups. I think it is essential that one of these persons should be designated to sit on the tribunal. The National Association of Women and the Law expressed its surprise that the bill did not contain a measure to that effect.

The association also recommended that both compliance officers and members of tribunals should be specialized in employment equity and represent designated groups.

This would be, to use a familiar phrase, putting your money where your mouth is.

The stakes are high, for women and for all designated groups. Ms. Simms, president of the now defunct Advisory Council on the Status of Women expressed it very well in her presentation when she said in concluding that the council encouraged the government to follow the recommendation to ensure that employment equity succeeded in giving women the opportunity, free of prejudice and sexism, to prove themselves on the labour market and, at the same time, to show that they have a right to dignity, respect and equity in our society. This is just as true for the other designated groups. What is good for women, is also good for aboriginal peoples, persons with disabilities and members of visible minorities. We must have this awareness.

I therefore invite the members of this House to support all measures of social justice that help reduce the gap between the most disadvantaged and the most affluent. It is unfortunate that we are still debating the passing of such legislation when, in my opinion, our energies would be better focused on implementing corrective measures to ensure that the target groups achieve equality one day and that discrimination becomes a thing of the past.

It should be our hope that everyone has access to well paid work, that no one has to face discrimination and that working conditions are adjusted for certain people to enable them to grow in the workplace. We should also aim for equality of opportunity and employment equity.

In closing, I would like to ask the government how it will enforce such a law, which is praiseworthy in itself? Having participated in the Beijing conference, I know the government has announced that a strategy will be established to evaluate, according to the sexes, all policies to be made, department by department.

• (1600)

Therefore, with the new social program reform, which has not yet been announced but will probably be announced after the referendum, I would like to know whether the impact of such a strategy, of such a social program reform act, has been assessed and how this strategy will affect people. It seems to me this is only natural. We all know that, with the upcoming social program reform act, women, people with disabilities, members of visible minorities will be the ones who will have to pay for all the cuts to be made in the public service. So the bill is praiseworthy, but will the government's efforts be equal to this legislation?

[*English*]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I have listened attentively to the dissertations by my hon. colleagues opposite.

At the outset, I want to make it very clear on behalf of my party that we do not ascribe any negative motive to the Liberals for bringing this legislation forward. As a matter of fact, we think they probably in their heart of hearts think they are doing the right thing. We just think it is stupid, unnecessary and counterproductive.

We do not ascribe any motive that would be negative to them other than the fact that in their heart of hearts they wished they lived in a perfect world but we do not. We cannot make a perfect world through legislation. It might be possible to advance the world to perfection through education, but there are some things in life which just plain cannot be satisfied through legislation and this is one of them.

Regrettably, the underlying foundation of employment equity or affirmative action in our country presupposes that Canadians in some way or another are now, have been and will be a

systemically meanspirited lot of people who discriminate against others. That is not true. It is not the case.

Earlier this afternoon the hon. minister opposite made reference to members of the business community being in favour of employment equity and that those who came to the committee said so. When people are invited to make a submission before a committee on something like employment equity, what are they supposed to do? Are they supposed to say that they do not believe in the notion of employment equity and that they would just as soon discriminate against people? That is just not the case.

Our country's business community is very progressive. It is way ahead of the government. As a matter of fact, the average business has never seen a visitor from the employment equity police for the legislation that is now in place. Most Canadians, including most Canadian businesses, do what they do out of enlightened self–interest. As I mentioned the other day, there is nothing wrong with enlightened self–interest; it gets the job done.

In my few minutes today I will try to rebut some of the arguments made in favour of affirmative action or employment equity and also to give a sense of what this legislation might mean as it gets its iron grip on Canadian society.

The most significant provision of Bill C–64 results in the legislated mandate of affirmative action for the federal public service, including the RCMP, the military, public security agencies, federally chartered businesses and any business of 100 or more employees that does business with the federal government. That is quite a collection of people. Imagine the number of equity police that will be required to police that to make sure it is working.

The nature of this proposed legislation is intrusive into the marketplace. Under the proposed legislation an employer is obliged to submit an employment equity compliance audit by an officer acting on behalf of the human rights commission.

• (1605)

Based on the results of such an audit, the Canadian Human Rights Commission may direct that an employer comply with the provisions of the Employment Equity Act. Failure to comply with such a directive renders an employer subject to a fine at the initiative of the minister responsible for the administration of the Employment Equity Act of up to $50,000. The responsible minister has not yet been determined but we assume it will be the minister of human resources.

It is important to note though that the term employment equity will be heard from the Liberal side and the Bloc, but you will hear members from this side using the term affirmative action. Liberals are slow to use the term affirmative action because that term is not particularly well regarded even by those who were purported to have been helped by affirmative action 30 or 40 years ago primarily in the United States.

In the last election in Ontario, the notion of affirmative action was roundly discarded when the New Democrats were thrown out of office by the Conservatives. They said in large part in their election mandate that they were going to get rid of the employment equity law.

That really causes one to wonder why the Liberal government opposite would introduce this legislation at this time. Giving credit where credit is due, the Liberals believe in their heart of hearts that what they are doing is the right thing, that they will go ahead regardless. Dam the torpedoes because the torpedoes surely will be in the water at the next election when they are trying to explain why they introduced reverse discrimination and codified it throughout the land.

Through this legislation the Liberals will have planted the seeds of resentment that will burn in the bellies of the thousands and thousands of people who will be denied opportunity that is rightly theirs. They will be denied that opportunity because there is a quota for others determined by race, by gender. People will look at that and ask: Is this a free country? Is this what is meant in article 15 of the charter of rights and freedoms where it explicitly states that all Canadians are equal regardless of race, creed or gender? Of course the next paragraph says, except for designated groups, which then allows legislation of this type to come forward.

The foundation for the notion of affirmative action versus employment equity was really made about 10 years ago by Judge Rosalie Abella. The royal commission recommended employment equity legislation rather than affirmative action legislation because affirmative action and the term affirmative action had been so widely discarded because it just plain does not work.

It is important to keep this in mind. You can dress this baby up any way you want but it does not matter what kind of cook you are, you cannot make mutton taste like lamb. If it is not lamb, it is never going to be lamb. You cannot dress it up in any way. It is a tough old bird that is not going to fly.

There is a suggestion from this side of the House that employment equity or affirmative action legislation really does involve social engineering and forced acceleration of the effects of demographic change. I am going to present an interesting set of statistics.

Canada's demographics are changing rapidly. The make–up and composition of this House is not representative of the changing demographics of our country today. If we look around us in the House, the vast majority of people representing constituencies of the Liberals, of the Bloc and of the Reform Party are white, middle aged males. That is not our fault; it is changing. It is changing slowly, but it is changing.

• (1610)

According to the 1991 census, 9 per cent of Canadians aged 15 or over, or 1.9 million people were visible minorities. Of the 9 per cent or the 1.9 million people who were visible minorities in Canada, only 15 per cent were born in Canada. Very few of the visible minorities that live in Canada today were born in Canada. Thirty–five per cent of the visible minorities in our country have arrived since 1983. Sixty–seven per cent of all visible minorities in Canada have arrived since 1972.

In a relatively short period of time in the 130 years or so that Canada has been a nation, the changing demographics of our country in visible minorities has only really been apparent in the last 30 years. To suggest that there is systemic discrimination in our country is wrong. We have not had the chance to have systemic discrimination.

The demographic composition of employees at all levels in a country which is 128 years old cannot be radically changed as a result of demographic social change over 30 years, and most significantly within the last 12 years. These changes will occur, but it will take at least one or two generations, if allowed to occur without legislative compulsion. As I said before, if we look at the demographics of the House of Commons, we will see that is the case.

Attempting a statistical matching for equity purposes, that is, *x* per cent of a particular race means that *x* per cent of that race must be in an occupation for there to be equity, involves the unreasonable assumption that the extent of association to Canada and the extent of Canadian work experience are irrelevant to workforce entitlement or promotion considerations. Does it not make sense if people have been in Canada and have participated in the labour force that their participation rate and their advancement rate would be higher based on the amount of time they have been here or their familiarity with Canada?

That does not mention the fact that all of the government agencies covered by this bill and many private contractors are covered by unions in which people have problems moving up and out and being hired or fired based on the unions. It has nothing to do with management, it has to do with the union. It has to do with whether a person is in the door first.

Let us talk about goals and targets. Are goals targets and are they quotas by another name? Exception was taken to the fact that members on this side of the House referred to goals as being quotas. Under the Employment Equity Act an employer is not required to hire or promote unqualified persons. It says that right in the legislation and I acknowledge that. Employers are not required to hire or promote unqualified persons or to create new positions in the workforce. The Canadian Human Rights Commission cannot impose a quota on an employer where a quota is defined as a requirement to hire or promote a fixed or arbitrary number of persons during a given period.

However, the other shoe is about to drop. In circumstances where under–representation of designated groups has been identified, the employer is required to prepare a plan in which short term numerical goals for hiring and promotion of designated groups are established plus longer term goals for increasing the representation.

• (1615)

What a minute. Just a second. Hold it. Did I not just say the act says they cannot have quotas? Wait a minute, it does say they can establish numerical goals. But what is a numerical goal if not a quota?

If in the opinion of the human rights commission investigator an employer has not made reasonable efforts the employer can be fined $50,000. It sounds like a quota to me. If it looks like a quota, sounds like a quota, acts like a quota and the results of it are like a quota, the chances are it is a quota. It does not matter whether we call it employment equity; it is still affirmative action. It does not matter if we call it a goal or a numerical target. If it restricts the number and the access by number, it is a quota. That is all it can possibly be.

Just in case there is a possibility someone thinks that quotas are not already in force in the Government of Canada hiring practices, just try getting hired by the RCMP, as a constituent in Edmonton tried. Barry Ceminchuk who lives in Edmonton called me and said: "Please talk about my problem. I wanted to get a job with the RCMP. They will not even take my application". The RCMP will not even take it and he has done some digging.

This is information from the employment equity guide from the Department of Justice. Is that not amazing, there is an employment equity guide from the Department of Justice.

For those of you out there in television land, when the census comes next time and you are wondering why they are asking what race you are, all of a sudden the light will come on. The reason people want to know your race is so they can check out demographically whether or not the companies in the local areas are hiring enough people of the various races located in that geographic area. That is why that question is there.

This is from the Department of Justice, and we do not have quotas here folks, but we do have employment equity targets. In the spring of 1991 Treasury Board introduced a new target setting strategy as a means for achieving the equitable representation and distribution of designated group members in the department. The new strategy is flow based, which means that it focuses on an equitable share of recruitment and promotions of designated groups.

It goes on to list the groups and then states what its non–quota quota goals are for women. For scientific and professional: recruitment, 43.8 per cent; promotions, 43.6 per cent. For administrative and foreign service: 39.9 per cent for recruitment and 66 per cent for promotions. If you happen to be a woman in the Department of Justice in an administrative or support position, you have it made, but you had better not be male because women are going to get 93 per cent of the promotions.

We hear clapping from the opposite side. It has nothing to do with whether they are the best qualified but they are going to get it because of their gender. That is absolutely wrong.

My daughter is a totally capable person in her own right. She just goes up and down a wall every time somebody thinks that she has got somewhere or she has a job because she is a woman, because of employment equity or affirmative action. She is an electrical engineer and works in a male dominated field. My daughter achieved what she achieved because she is a damn good electrical engineer. It has nothing to do with the fact that she is a woman. It has to do with the fact that she is a damn good engineer. She just goes crazy when those feminists say she is a victim. She is not a victim.

• (1620)

In any event let us keep talking. Let us talk about qualified versus best qualified. The legislation says in clause 6 that an employer cannot be required to hire or promote unqualified persons. However, the other shoe drops. At the same time, an employer is not free to hire the best qualified as a matter of course. The concept of best qualified does not reflect systemic prejudices. Subjectivity in hiring is largely eliminated under this legislation. Attitudes cannot be legislated.

I am getting a fair amount of static from my friends opposite. They are most uncomfortable because they will soon be standing to justify this draconian legislation.

Ms. Clancy: I am just as comfortable as I can be. You have no idea how comfortable I am.

Mr. McClelland: They are going to try to make this turkey look like a chicken and they are going to have one heck of a time doing it. I wish them well. When they take this boat in the next election, there are going to be torpedoes coming at them from every direction.

Part of me is saying that I cannot wait to see this legislation get off the ground because the government is going to have to live with it. It is like the dog that chases a car: what does he do with it when he catches it? My friends opposite are going to catch this car at the next election.

Let us talk about statistics and the employment equity legislation and the supposition that it is grounded on unreliable statistics. Much of this requires self–identification. The affirmative action police will go into a place of business and pass out a form to be filled out. People will be required to self–identify. Anybody who is going to try to get a job with the government now has to identify their race or whether they are part of a minority group. It is all part of the legislation.

The employment equity police are going to require people to identify themselves. I do not know if the House of Commons is trying it because it is such a progressive place or whether it is test legislation. At the time this was done there were 1,700 employees in the House of Commons. The response rate was 23 per cent and only 50 of those respondents identified themselves as belonging to a designated group.

People do not like to self–identify. As a matter of fact that was indicated in the Department of Justice paper I referred to a little earlier. It talked about the effectiveness of self–identification.

Let me quote from the Department of Justice employment equity guide: "The effectiveness of the self–identification process is questionable. Treasury Board is currently reviewing the process to improve it. There will always be a certain number of people who choose not to identify themselves as members of a target group for various reasons. One of the strongest reasons is the concern about being labelled a token employee and not seen as someone hired for their qualifications or because they have earned the position". This is from the Department of Justice.

Whoever drafted this legislation over in the Department of Justice must have been popping Tums all day. It must have been a long, hard day at work.

Interestingly, there was a 30 per cent increase in Canadians reporting a disability between the 1986 census and the 1991 census. We have to ask why in a five year period there would be a 30 per cent increase in the number of people reporting themselves as having a disability. Why has this identification occurred, particularly in view of the incentive to falsify self–identification surveys? I know that might sound kind of meanspirited but there is the potential for people to self–identify themselves one way or another in some of these surveys in order to gain an advantage in promotion or hiring.

• (1625)

Mr. Bevilacqua: Come on.

Mr. McClelland: Now that might happen. Just imagine. There are people out there who might just say: "Gosh, how am I going to go about getting myself a job here? I know I have the same qualifications as the vast majority of other people that are applying. How am I going to get a job? I know what I might have to do. I might have to self–identify myself into one of these groups".

This brings to mind an anomaly in the whole notion of visible minorities and disadvantaged groups. Based on statistics obtained from Statistics Canada we know that Japanese Canadians have among the highest incomes and the highest education levels of all Canadians, yet they would qualify under this legislation as a disadvantaged group. Figure that out. Does that make any sense?

There is deafening silence opposite. Give them a minute to think about it. We have a demographic group in our country that has the highest single average education, the highest single average income, but members of that group qualify as disadvantaged because of the colour of their skin.

Mr. Bevilacqua: What is the story with visible minorities?

Ms. Clancy: Tell us about visible minorities.

Mr. McClelland: Hold it, let us go back one more. Let us talk about the Portuguese Canadians. Interestingly, Portuguese Canadians do not rank at the same income level as Japanese Canadians, but guess what? They are not visible minorities because their skin is not a different colour. They are curse of curses, shame of shames, white. Therefore, they do not qualify under the statute. Does that make any sense whatsoever? That is the fallacy of creating legislation in a free and democratic society based on race, colour, creed or gender. There is no place for it.

What we should be doing in our society is making sure the human rights commission works so that when people are discriminated against for any reason, regardless of their sexual orientation, regardless of their colour, regardless of their gender, they have a place to go.

Let us talk about useless legislation in our country. Right here in the precincts of Parliament Hill there is 10 years and $100 million of reconstruction going on. A woman was working on the construction site but she was fired because she was a woman and one of the men did not want to be working with her. She went to the human rights commission and was turned around and sent to the provincial human rights commission.

If we want to do something, we should get our act together and get a human rights commission with teeth. We should get some semblance of uniformity between human rights laws federally, provincially, municipally and human rights legislation in the workplace.

We could be doing something worthwhile. If somebody is discriminated against in this country, what do they do? They are absolutely lost. They go to these commissions and get in line. There is a line–up that takes six months to a year to get through. That is where we should be putting our effort. We could be educating people about why it is wrong to discriminate for any reason. We do not have to legislate this sort of thing.

Then we have to make sure that people who are discriminated against for any reason have redress. They presently have no redress. It is not criminal. People can discriminate against anybody they want to; it is not a criminal offence. What one has to do is go through hoops in order to get some kind of satisfaction. We should be making that easy instead of doing this. It is ridiculous.

• (1630)

Since the human rights commission is the agency charged with the responsibility of enforcing this, how much money is going to the commission to enable it to do the job? What is being done to enable Mr. Yalden and the Canadian Human Rights Commission to do the job? Make a complaint to the Canadian Human Rights Commission today and see how long it takes to get satisfaction. Dump this responsibility on it and how long is it going to take to get from point A to point B?

Let us think about it. Think about the last bit of employment equity legislation that came through the House and see what has been done anywhere in the country to ensure that it has been done. Absolutely nothing has been done. What happens when persons who feel they have been discriminated against go to the human rights commission? They grow barnacles. Nothing happens there. Therefore, what do we do? We bring in more legislation to do nothing. The Liberals are just giving lip service so that they can further consolidate their position by saying: "We looked after all of these target groups. We are their great benefactors". The Liberals are not their great benefactors.

Mr. Bevilacqua: You are.

Mr. McClelland: Members opposite say, pejoratively I suspect, that I am. Mr. Speaker, I take that as a compliment because damned right I am. I will address these things honestly and through the front door. I will not do it sliding in the back door.

Ms. Clancy: I have never come in the back door in my life.

Mr. McClelland: Members opposite are heckling me. I am having trouble not laughing because some of their heckles are fairly funny. People listening to their televisions cannot hear what they are saying so I will have to try to ignore them.

I am going to finish my dissertation with a challenge to the Liberals opposite. They control everything in this House. They have a majority. If they do not want something to happen it is not going to happen. As a matter of fact it is not really the Liberals, it is the cabinet. It may not even be the cabinet, it might be the Prime Minister's office. It might not even be the Prime Minister's office, it might be one or two people trying to figure out how they can keep him elected.

However, whoever it is that pulls the strings over there, I offer those people a challenge: extend employment equity legislation

to the House of Commons. Why is the House of Commons excluded from this legislation?

Ms. Clancy: It works for me.

Mr. Bevilacqua: Are you in favour?

Mr. McClelland: The member opposite says to extend this. I offer them a challenge: extend employment equity legislation to the House of Commons.

[*Translation*]

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Lévis—government subsidies; the hon. member for Halifax West—foreign affairs.

We shall now proceed to the next stage of debate, which will allow the hon. members a maximum of 20 minutes to speak, subject to a 10 minute period for questions and comments.

[*English*]

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I wish I had the time to debate my colleague point by point. It may not be allowed, but I will do it at committee where the member sits.

As the member of Parliament for Winnipeg North, I rise today to bring the sentiments of my constituents to the House during third reading debate of Bill C–64. Bill C–64, an act respecting employment equity, reflects the soul of our nation. It reflects our shared value of equality. It reflects our humility to recognize the presence of inequities. It reflects our ingenuity as a people to craft solutions to problems.

Systemic discrimination remains an endemic problem, a national malady, a barrier to equality in employment. In the 1960s discrimination in employment was seen as a human relations problem, the result of malice and intentional bias. Thus human rights legislation was enacted, but proved ineffective in addressing the overall problem. That is what the Reform Party would like us to do, retreat from our progress.

• (1635)

Pilot affirmative action programs on a voluntary basis were tested in the 1980s but they failed to achieve the desired results. Women, aboriginal peoples, visible minorities and persons with disabilities continued to be disadvantaged, experiencing higher than average unemployment rates and, if employed, were often concentrated in low paying occupations and were not represented in upper management.

It soon became apparent to the national leadership of the day that discrimination resulted not only from intentional bias, but also from outdated hiring practices and systems. In other words, a seemingly unprejudicial employment policy had an adverse impact on job opportunities for certain individuals and groups because of their race, gender, colour and disability. The phrase systemic discrimination refers to this type of unintentional barrier to equality.

The persistence of this problem stirred the national consciousness at a time when a new era was dawning in Canada. In 1982 the Canadian Constitution was repatriated and the Canadian Charter of Rights and Freedoms was born.

Section 15, paragraph 1 of the charter speaks of the equality of Canadians before and under the law, in benefits and in protection. What a powerful national statement on equality, one in which we can all take pride.

No doubt conscious of the presence of unintentional bias in the workplace and no doubt aware of the need to eradicate it, the framers of the charter saw to it that any future Canadian government would not be handicapped in drafting programs to treat this societal ailment.

Hence, the addition of paragraph 2 to section 15. This additional paragraph gives government the authority to design programs aimed at creating an equal and level playing field for those disadvantaged in society. It gives Parliament the authority to enact laws aimed at achieving equality, not preference, not superiority, in employment for the disadvantaged groups, laws that will withstand constitutional scrutiny.

These two paragraphs in one section of the charter reflect Canadian ingenuity, reflect our genuine pursuit of equality and reflect our national foresight in social legislation. This section allows Canada to acknowledge, respect and accommodate the differences among her people.

Equality in the workplace does not and cannot be allowed to mean only identical treatment for all. Equality includes improving the condition of disadvantaged people or groups, which sometimes requires treating them differently to ensure equality. Thus there is maternity leave for women, to cite one example, but not for men.

Seizing on this national foresight now entrenched in the charter of rights and freedoms and wanting to redress systemic discrimination, the Liberal government of the day soon struck the Royal Commission on Equality in Employment. Chaired by Justice Rosalie Abella, the commission issued its landmark report, Equality in Employment, in 1984. It confirmed that discriminatory practices, intentional or not, yielded the same outcome: low rank, low pay or no job at all.

It confirmed that certain systems and practices unwittingly may have adverse effects on certain groups in our society. Therefore it prescribed a system based approach to remedy the situation. This ultimately led to the enactment of the current Employment Equity Act in 1986. This law has helped advance equity in employment, but not far enough.

The current federal government knew this before it took office in October 1993. It therefore sought and was given the mandate by the Canadian people to extend coverage of the act to the federal public sector and to include practical enforcement mechanisms. The government wanted to fulfil this mandate in a fashion that will further advance equality in the workplace without adding an onerous burden on employers and businesses.

• (1640)

Bill C–64, tabled in the House last December 12 and amended in committee and at report stage fulfils our national agenda. I was privileged earlier this year to chair the Standing Committee on Human Rights and the Status of Disabled Persons which conducted a full review of employment equity and obtained input from Canadians from coast to coast.

We heard from 52 associations and individuals and received 18 written submissions. The views of employers, labour organizations, designated group organizations and many interested Canadians were fairly represented in the evidence before the committee.

I am honoured to share with my colleagues in the House, my constituents and other fellow Canadians some of what we heard from witnesses.

Says the Congress of the Assembly of First Nations Chief Mercredi: "Although a lot of times Canada is presented as a nation that believes in equality of opportunity, when you really undress the country there is no equality there for aboriginal people".

Says the Congress of Aboriginal Peoples: "We point out the high participation rate in the workforce of our people to stress that aboriginal people want to work but the structure of the Canadian economy seems to leave them on the outside looking in".

From the National Association of Women and the Law: "A rather bleak picture of the employment and economic situation of women is evident at a glance. In general, women occupy most of the short term jobs and are clustered in low paying services and administrative support work positions".

Says the Canadian Ethnocultural Council, a coalition of some 37 national ethnic groups around the country: "The reality now is the visible minority population labour force is under utilized. That speaks to the economy of Canada and to the future of our country".

From the Canadian Paraplegic Association: "Clearly for people with disabilities there are still numerous barriers to employment—until more attention is paid to education, training and skill development for persons with disabilities, reasonable representation in the Canadian work force will continue to be an illusion".

Clearly in this body of evidence, only a sample of many, we can see the plight of disadvantaged groups.

From the Canadian Labour Congress: "By ensuring the diversity of the Canadian population is reflected in all employment areas under federal jurisdiction, the Government of Canada is creating an enriched work environment".

Says the Canadian Security Establishment: "I am pleased to advise that the establishment feels it can comply with the requirements of the bill without special consideration".

Says the RCMP: "Under the recruiting process, what we would do is hire the best and highest rated persons from all groups" in compliance still with the Employment Equity Act.

Says the CRTC: "If the ultimate goal was to sensitize people so they would do these intelligent things instinctively—then we are definitely going in that direction".

From the Canadian Bankers Association: "Canada's banks, and I speak most particularly for the six major banks, have been committed to employment equity objectives since the current act was passed in 1986. We think employment equity not only has had a positive impact on the way our organizations manage their work forces but also it has proven good for business.

Let me quote from Mr. Alan Borovoy of the Canadian Civil Liberties Association: "The idea then in setting numerical goals is not to play catch up. You do not have to ask to get to the same balance as the rest of the community. You set the goals in order to pressure the employers not to discriminate. That is the objective of the setting of the goals. You choose a numerical target that would accord with how many the employer would get if he recruited vigorously, set fair job standards, and at the end of the day did not discriminate improperly". That is from the Canadian Civil Liberties Association leadership.

• (1645)

The chair of the Canadian Human Rights Commission, Max Yalden, stated:

> —let me make it clear that employment equity is not about quotas. A quota is an arbitrary number of positions in the workforce that must be filled regardless of whether qualified candidates exist for the jobs.

I hope these testimonials will convince even the doubting Thomases from across the floor that the disadvantaged groups, their advocates and civil libertarians of renown are not the only supporters of Bill C–64. Employers from all sectors equally praise the bill. They recognize that equity in employment enhances productivity and business and inspires initiative and creativity.

The Minister of Human Resources Development has already refuted the myth the Reform Party wanted to propagate about

qualifications, merit and quotas. Those issues have been dealt with by the bill. For the sake of time I refer the hon. member opposite to the bill to see for himself his arguments are flawed.

During debate he told us he would object to census taking because it would ask for the individual's race. I am not afraid and I am not ashamed of my race. I am not ashamed of my heritage.

If he is really concerned that Canadians from the Portuguese community are now not covered under the act, that is true. If they are determined disadvantaged, then they will be given programs by the government. That is one beauty of having this type of census, so that we can get the facts and figures we need to formulate good, sensitive legislation which will answer the needs of Canadians.

I repeat the bill is not about redressing the past mistakes of history. It is about not wanting the past mistakes of history to be repeated on our present and future generations.

I heard earlier in the debate about wanting to hire the best qualified. I believe the Reform Party would be surprised at one of the witnesses from the Manitoba Telephone System, Ms. Katawne, director:

> I would suggest that those people who believe it is a highly scientific art to determine who the best qualified person is are dreaming. They are in la-la land. That is not what happens on a selection committee.

We need an employment equity act.

In addition to making several clause by clause amendments to the bill, our committee issued a separate narrative report entitled "Employment Equity: A Commitment to Merit". I suggest that members who object to the bill give it careful study. I hope at that time they will have a change of mind and a change of heart. The report reflects the committee's confidence that Canada's new employment equity law will ensure the pre-eminence of merit and the elimination of systemic discrimination in employment practices.

What we have in the bill is a win-win situation for employers and employees alike. The report and the bill reflect the uniqueness of Canada as a leader among nations, committed to excellence in human endeavour and profoundly committed to social justice in general and to employment equity in particular.

Chairing the national hearings on Bill C-64 was a very meaningful experience for yours truly. It reconfirmed for me why I am so proud to be a Canadian.

• (1650)

Let me close with something I will always carry with me from my time as chair of the committee that studied this bill. It is a letter from the Filipino Technical Professional Association of Manitoba, an ethnic community to which I proudly belong.

The association stated that its members were proud of the efforts of the Canadian government to show the world that we as a society care about our citizens' human rights and shared the pride that the United Nations recognized Canada as the number one country in the world in which to live.

It emphasized there are already a lot of skilled immigrants and new citizens in Canada unable to get a job in their respective fields of training and experience because their professional credentials and training are not systematically given recognition. There is not even an orderly process for accreditation. Employers in a lot of cases insist on Canadian experience which also closes a lot of doors for employment. To the members of the association this amounts to no less than systemic discrimination.

I can certainly agree with its view that it is very distressing and undignified for a person to be systematically prohibited from practising his or her chosen career which he or she spent a lot of years mastering.

It recognizes, as I do, that employment equity may be one way of dealing with this problem, but again this will not work if systemic barriers are not dealt with.

Working together we can carry on this country's proud tradition of championing equality, creating opportunity and building a better country for us all. Employment equity is Canada's commitment to merit to social justice, a framework for awareness, a search for inclusion, a win-win for all. Canada has a duty to oblige.

I am proud to be part of a government that has taken the leadership. I therefore urge all hon. members from across the floor in the Chamber to join together and vote in favour of Bill C-64.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I have been listening very intently to the speeches regarding Bill C-64. I am also finding myself agreeing not with the bill but with a lot of statements, particularly from the last speaker on the need to work on equality. Equality is essential. We want that. Everybody in Canada wants that.

I find it a little discouraging, however, when we come to talking about wanting equality. We want all to be Canadians. We want equality. That is what everybody wants.

Now we come to the time when we will have to ask the questions that may differentiate between equality and non-equality. That goes back to something talked about during the election. It was talked about by a lot of people who did not like hyphenated Canadians. They thought how great it would be if we could only come to the day when we can be Canadians and we do not have to be French-Canadian, Japanese-Canadian, aboriginal-Canadian, Colorado-Canadian, Irish-Canadian or whatever. They would really like to see that disappear. That message was loud and clear. Every member in the House has heard that.

I think people would agree that is what we would like to see. All of a sudden we see a piece of legislation coming out prior to a census asking "what is your race?" I have already talked to a lot of people who are concerned about that. They wonder what will happen if they write Canadian. These people could write hyphenated Canadian because they are not the same as me.

• (1655)

People in my riding of a different ethic background are asking what they are supposed to write. A good friend of mine, a sheet metalist, asked: "Am I supposed to write African–Canadian because I am black?" He refuses to do that because he was born a Canadian. He said he will write Canadian and so will his kids. I admire that kind of attitude. There is a perfect example of an individual who would like to work toward being considered equal. Government legislation is requiring him to declare otherwise.

My colleague said the legislation is stupid. That is why it is stupid. It is forcing a lot of people to declare they are not Canadian because of a hyphen. They do not want to do that.

A lot of business people have told me they have practised this kind of legislation all their lives. The last thing they want to be is discriminatory against anyone. Everybody in the House can go to their ridings and talk to entrepreneurs of all kinds who have practised this kind of thing.

Of the 30 years I have been in Canada, 20 were spent in a supervisory position in which I had to hire people. On a number of occasions we made certain we did not mistreat anyone on the basis of gender, race, et cetera.

I recall several teachers who came from all walks of life I was involved in hiring who were excellent. It was long enough ago that we did not think about colour. We did not think about anything but their qualifications and their ability to perform. Now we are to force those same businesses that have those hiring practices to take into consideration colour, race and gender.

Here we go again. There are a lot of entrepreneurs out there who are up to their eyebrows in taxes and are having one heck of a time making ends meet. The biggest reason is government got into everything imaginable and interfered constantly with all the different regulations. Businesses have been made to become tax collectors through GST and other forms of taxes, which causes business to add costs and hire people to do the work for the government. Now we are to present them with more legislation.

I think all entrepreneurs all across the country of all races are just about fed up. They are liable to say to my friends across the way: "You blew it. What we do not need is more government involvement. We are grown individuals. We are intelligent. We are Canadian. We will manage our own affairs, thank you. Stay out, butt out, and get out of our lives".

No, for 30 years I seen that the government knows better. The government knows what is good for Canadians, so it has to make sure it gets in there, gets involved and starts forcing things to happen that have probably been happening all along. If they have not been happening we have a mechanism to make certain that people are punished when they do break the law by being discriminatory. We have that. It is called the Canadian Human Rights Commission. No, the government knows better.

• (1700)

This has been the practice for how long? Remember the metric system? Not many people wanted it, but the government gave it to them whether they wanted it or not. Remember the language law? A whole pile of people did not want it, but the government gave it to them whether they wanted it or not.

Let us go back to just recently. Consider the GST. It could not have been more obvious. People did not want it, but we have it.

Mr. McClelland: But the Liberals want it now.

Mr. Thompson: The Liberals want it now, that is right.

We get promises about those kinds of things. The government tells the whole world, all Canadians, that it knows best. It will tell you how to run your business, what you have to do, who you have to hire and how you have to do it.

Who do we think we are? I thought we came here to govern, not to rule.

Ms. Clancy: They did not come here to govern. We came here to govern.

Mr. Thompson: That is right, Mr. Speaker. We came here to govern; they came here to rule. This legislation is a perfect example of it.

I think it is a shame. I think it is a shame when the Liberals do not even recognize that 70 per cent of the mothers who are working have declared that if they did not have to work they would rather be home with their children. Why do we not do something to make that possible? It may be a shock to our members across the way, a shock to the member for Halifax, that there are a lot of working mothers who would really like to be home with their children. Let us make it possible. Let us cut some taxes. Let us see what we can do to help them out; but no, bring in things like this because the poor dumb Canadian businessmen do not know what they are doing.

I looked at another thing that was handed to me. We are up to six now in my riding. I congratulate the government; it has made it happen. There are six individuals, including my 22–year–old son, who have gone south of the border because down there they can work and up here they cannot. These six individuals are young males, I would like very much to see remain in Canada and be Canadian. My son has to go south because he has wanted to be a cop since he was six years old, and you do not have a hope in the devil of being a cop in this country because governments are ruling like they are today. I thank the Liberals very much. They have confirmed that my son will not be Canadian because he cannot even get a job as a fireman, as a cop, as an EMP, nothing, none of those things, because he does not fit: he is white and male.

There are five others in my riding who have received their green cards and have notified me that they will be gone. Congratulations to the Liberals. They have chased some out. I do not suppose that is discriminatory, though. That is probably just good government. If that is good government, they can have it. I am sick of that.

During the next election, if the Liberals want to keep pursuing these kinds of ventures, if they want to keep telling businessmen and women that they do not really know what is right, that only we in Parliament know what is right, they will be in for a rude awakening. I am certain I am going to stay healthy enough to stick around and watch it. I will laugh and laugh, just as they laugh today when we make the comments we do with regard to the kind of legislation they bring down, legislation that causes racism and discrimination. It cures nothing. Wake up and smell the coffee.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, as was noted by my hon. colleague, the member for Winnipeg North, one of the groups that supports this legislation and has called for this legislation and has worked very closely with the government, the Department of Human Resources Development, the minister, the parliamentary secretary and others, a group with which I worked very closely on the area of employment equity when I was in opposition, is the Canadian Bankers Association.

● (1705)

When I list radical groups out there fighting for social policy and holding down the left wing in this country, the Canadian Bankers Association is not one that automatically leaps to mind. However, I congratulate the Canadian Bankers Association for its far sightedness. It has had in place for a number of years, certainly as long as I have been a member of the House of Commons, employment equity groups. It has met with representatives from the various banks. It has worked within its own organizations for the promotion of women, minorities, the disabled and so on, and has done a fairly good job.

Now I would not want my friends in the banks in Canada to think that I am saying they are absolutely perfect, because they have a long way to go. There are a number of things I could suggest to them in areas of employment equity where they could make their record better, but they have certainly been very much in the forefront.

I do not question the member's 70 per cent of working mothers. What I do question is the interpretation of the statistics. I have many friends with children of varying ages, and there is no question that for women the ability to juggle domestic and professional duties is fairly severe. The superwoman syndrome is very hard to deal with. When you have small children it is particularly difficult to spend a lot of time away from them. However, it is more difficult not to provide them with the necessities of life like food, shelter and other things.

If the hon. member is suggesting that we tell all mothers of small children to stay home and that we therefore will increase the national debt by paying a salary to mothers who stay at home, I find that very interesting. Along with the member's explanation of why a group like the Canadian Bankers Association supports employment equity, I would like to know whether the Reform Party is advocating that we pay a salary out of Canadian taxpayers' dollars to mothers to stay at home to raise their children. I also ask him how much he thinks that salary should be.

Mr. Thompson: Mr. Speaker, I am not sure how to answer that. I will start with the bankers.

Hurrah for the bankers. If they think this legislation and the practice of affirmative action is good, then let them do it. Nobody cares. If that is what they want to do, they should be entitled to. That is democracy.

What I do not think should happen is that somebody be forced into doing something that may not be the right thing to do in terms of the business, whatever that might be. I think we have to trust the judgment of employers to make certain they do not discriminate. If they wish to have a hiring practice that resembles employment equity or affirmative action or whatever, that is democracy. Let it be their choice. There is nothing wrong with that.

I do not believe that mothers with children who choose to stay at home want to be paid. I do not think that is their request, any more than they like to pay day care and babysitters. However, I do believe that if the government were listening to some of the tax proposals and tax incentives, there are things it could do that would make it possible. The government talks about spending more money by letting mothers stay at home. I do not understand. Let them work and you are going to spend money paying day care. Do not pay for day care. Save that money so mothers can stay home with their children and give tax breaks to the providers of the home.

• (1710)

Maybe the government has a problem understanding arithmetic, but it makes sense to me. It used to be that married couples with one staying home were able to do so, but now they are not able to do so because they are treated the same way as married couples who are both working.

We can do a lot in that area. I suppose that is another topic. Mothers do not expect to be paid. If we are going to give extra money to other women who can work, if we are going to pay others to look after their children so they can work, then if we want to be equal I guess we will have to do the same thing for the mom who decides to stay home.

There are not many things she said that made any sense to me. That is understandable, considering the source.

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, I do not know whether I am unlucky or lucky. Each time an issue dealing with things such as employment equity, discrimination or fairness in hiring comes up I always speak after the member for Wild Rose. What it means is that I normally do not have to worry about going back to a speech that somebody else wrote for me. He usually incites me to find things inside that are germane to my very being, that are at the core of what I am and the reason I got into politics.

Some of the nonsense I hear espoused by that member does a great disservice not only to the constituents he represents but to the party he belongs to and the Parliament he sits in. This member consistently and constantly gets up and shows that it is okay to speak in the Parliament of Canada—and I do not deny him the right or the privilege to do so—and pretend that things are other than what they are.

I listened to this member say "what about the white male?" He told everyone who was listening tonight that his 23–year–old mailman son, I think he said, had to go south of the border, had to get a green card. I am sorry for that. I hope that my son will be able to get employment in this country when he is ready to enter the labour market. I want to give him a wake–up call. There are many sons of people in my constituency whose colour is not the same as mine or the member for Wild Rose, whose native language is not the same as mine or the member for Wild Rose, whose fathers cannot get employment in this country, not because the jobs do not exist but solely because of the colour of their skin, the language they speak or their cultural heritage. That is the reality in this country.

If the member for Wild Rose wants to be shown, I will issue him an invitation to come down and I will walk him through the back streets of Preston, Nova Scotia, and he can meet the people who for generations have fought to be included. They have not asked to be given special treatment, they have not asked to be singled out. They have asked to be treated like his white male 23–year–old son to participate to the fullness of their ability in the labour market. That is what this is all about.

For the hon. member to deny this tells me that this individual and the fact that he can get up and speak the way he does in the House is more a testament to the tolerance of the democratic institution called Parliament than it is to the point of view he espouses.

The member opposite and the Reform Party get up and use this high office called Parliament, what John Turner used to refer to as the highest court in the land, and it is, to put forward points of view they know are dishonest, saying there is no need for the federal government to put out in policies and programs what it believes are standards that should be followed in its own bailiwick, with its own employees in the areas it regulates, in federally regulated industries.

• (1715)

To listen to the member and those of his ilk over there one would believe that everything is rosy, that the status quo is something not just to be maintained but to be heralded. This is the way we have done it. This is the way it should be.

Mr. Thompson: That is why you are doing it.

Mr. MacDonald: Mr. Speaker, it is not that many generations ago that blacks in Nova Scotia were not allowed to walk into theatres and sit with whites. It was not 100 years ago. It was in the early 1960s when that came to an end.

The member should look at history to find out when native Canadians, the first people in this land, were finally recognized as people and given the right to vote. That is within my generation and my lifetime.

Mr. Thompson: Mr. Speaker, a point of order. We are talking about employment equity. I have never once indicated in my life that there should be any form of racism. I am glad racism does not exist.

An hon. member: That is not a point of order.

The Acting Speaker (Mr. Kilger): Order. Clearly—

Mr. Thompson: I'm not going to take that crap.

An hon. member: Language, language.

Mr. Thompson: I never called anybody a racist at any time.

The Acting Speaker (Mr. Kilger): This is the House of vigorous debate. There are strongly held views on all issues. This one is bringing out some equally strong views. I say respectfully to the hon. member for Wild Rose that he was engaging in debate and did not have a point of order.

While I am on my feet, I would appeal to members on both sides of the House. On issues such as this which are critical and sensitive we should be respectful of the institution and one another.

Mr. MacDonald: Mr. Speaker, I want the record to show that this hon. member has not alluded to anybody in the House and indicated that he or she was racist or bigoted. I am not trying to impugn the motives of members of the House. I want the record to show that the reality is in Canadian society today. Although we have come a mighty long way, there is still a mighty long way to go.

It is well within the responsibility of good government to continue to push that agenda item, the envelope as it were, to ensure the standards that Canadians want in the private work place and in the government work place are continuously upgraded and pushed forward.

I merely want to tell anybody in the House who does not know or does not understand that inequality has been a fact of life since European settlers first came to Canada. That is the reality.

It does not mean that society in and of itself is racist. It does mean that sometimes the majority in society have to understand that there may be built in barriers to participation by minority groups. It has to be understood that those barriers may be systemic and that even people from those groups, if we open the door to full participation, may not feel that the door is open.

What this bill seeks to do is not to recast the dye. It seeks to build on the original legislation that was passed in the House to include more industry in the private sector and the federally regulated area. That is all it does.

It says to employers that there may be an imbalance in the labour market. We do not want them to set quotas or numbers because I do not approve of that. Minimums become maximums in this game. It seeks to establish that there is a problem and that industry can solve the problem themselves. That is all it seeks to do.

If members come to my area or the area of the member for Halifax in our part of Nova Scotia, there are real barriers to participation to a whole variety of groups. A company should not say it wants a black with a university education, and it does not matter what the grades are, any more than it should walk in and say that it does not want a black with a university education.

• (1720)

It means that we should look at the labour market in the area we are in. If it is obvious there are visible or invisible barriers to participation in that labour market, that we seek as a conscious policy effort to remove those barriers. That is it. There are no quotas. There is nothing nefarious in this legislation. It simply states that the federal government believes that wherever inequality exists, it has to consciously work to remove that inequality. That is all that it says. In areas of a federally regulated workplace that is what it says.

I am not one of those individuals who believes there should be quotas because inherently it is wrong. Many times individuals are hired or are put on a board because of a quota system, either an official or unofficial quota. They could be the best qualified persons for the job, but their co–workers will not see them as a qualified individuals. They will see them as individuals that was put there simply because the number had to be filled for that particular race, gender or whatever.

We seek to break those borders down. This legislation goes in that direction. It states as a public policy that employers should work toward making sure, wherever possible, that their labour component is reflective, as best as it can be, of the mix in the labour market. In areas of large populations of blacks, indigenous blacks in Canada, the federal public service has to work toward making sure that they apply for those jobs and, if qualified, that they are hired.

Most of all, it should be seen that if they do apply for the job that they will be considered. The reality is that in many non–traditional roles for females in the public service, women do not apply any more because in the past they have been turned down so often.

If the employer is a crown corporation or a federal department and has a policy of encouraging the greater participation in the labour market of women, for instance, it sends a signal out that, yes, if the woman is qualified she can apply and should have every reason to believe that she will be judged based on her qualifications and will not be excluded based on her gender.

It is the same when dealing with blacks and it is the same when dealing with native Canadians. Go to some of the ridings where there are high numbers of natives in the population. Do the numbers in the population respond to the participation in the federal workplace? In some cases, yes, but in some cases they do not. This bill seeks to recognize that in areas like that where these factors are a reality, that a plan be put together to encourage individuals in minority communities to participate. That is it. It does not do any more than that.

It does not say we have to hire three white people who have Gaelic ancestry. It does not say that we have to hire 15 women. It says: "We want you to be conscious in the way that you run your operation that you should try to encourage participation from minority groups who traditionally might have been excluded". It is nothing more than that.

I am going to conclude my remarks because I know the member from Halifax is waiting to speak. I want to encourage this House to tone down the rhetoric a bit. I know I have been pretty upset today. I watch what I say in this place because I have a great deal of respect for the chair that I occupy. I may have certain strong opinions but I try to temper them when I stand in this place.

I have a great deal of difficulty after seven years here to look across in this place and hear people put things on the record that may incite, maybe not by design, but may add to a lack of understanding and a lack of conciliation among all Canadians and may take away from the desire of Canadians to be fair and reasonable.

The hon. member opposite who spoke before me indicated that this law means that we are going to see colour, that we are going to have to look for colour, we are going to have to look for language, we are going to have to look for gender and that in the past that was not the case. Unfortunately he might have been right. In the past nobody saw colour when he hired because he did not hire people of colour. Nobody saw gender when he hired because in many cases he did not hire women. Nobody saw linguistic groups because in the past he did not hire linguistic groups.

I look forward to the day when we do not have to worry about those factors. The reality is the problems are caused by the fact that those factors have been overlooked in the past. The only way we can rectify it is by public policy. This bill goes in that direction and I support it fully.

• (1725)

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I listened with interest to the last speaker and it sounds as if he has a valid concern. However, it seems to me that the legislation he is addressing is discriminatory and the government is trying to resolve that with a concept called employment equity.

I could be corrected on this, but I believe it was last year when we had recognition of women's day in the House, a women Liberal MP suggested that the House had a long way to go because over 51 per cent of the voters in the country are women but only 18 per cent of MPs are women. Where lies the problem? Women have the vote. Women have the intelligence to vote.

Ms. Clancy: Could I answer this?

Mr. Gouk: People have the right to run as candidates. A number of women ran for election and were not elected. I ran against two women in my riding. People have the choice to make that selection. Women have the vote the same as men and they make a choice.

The air traffic control system started talking about affirmative action because there were not enough women air traffic controllers. At the time I happened to work with a very competent female air traffic controller who was asked to participate in the affirmative action program to get more women into the air traffic control system. She agreed that she would take part in a program to attract more women to apply and to learn about the system. But nobody in the system, male or female, was prepared to alter the practices so that a woman who was less qualified than a male candidate would be chosen.

Would the hon. member see a system where for the sake of balancing quotas, and there is no other way to put it, that the system has to take someone other than best qualified candidate because there is an imbalance in the precious quota system?

Mr. MacDonald: Mr. Speaker, I thank the member for his question. I believe it is a legitimate one.

I want to make two distinctions right off the bat. This bill is not about quotas. I do not support a quota system. It is not the right way to go. What I do support is a legislative framework that tells employers in the federal section, crown corporations and federal government departments that there is a reality out there. There are many members who are still in denial about the reality of barriers to participation in the labour market. They are real.

This direction in legislation I hope would never say someone has to be hired who is not qualified for the job. That is not what it is about. It sets in process a conscious mechanism so that a business, department or crown corporation can make sure that if there are no natives employed but they are 22 per cent of the population, that there must be some barriers to participation somewhere. If the barrier is simply that no native has been hired, then by setting targets for the participation of native employees sends out a signal.

But no, I do not agree. I would not support a bill that tells an employer to hire someone who is not qualified for the position. The member knows as well as I do, if you are dealing with an entry level or mid-level position, many times the minimum qualification for the job does not mean the applicant has to be a rocket scientist but may require a grade 12 education, someone able to lift a box, punch a typewriter or a keyboard, or operate a furnace. I do not know.

This bill does not compel anybody to hire an individual based on gender or colour.

• (1730)

It compels the corporate sector within the federally regulated area and the federal government to ensure that where those inequities are identifiable they have conscious programs to try to encourage the participation of qualified minority candidates.

It does not do anything other than that and if the member thinks it does I feel sorry for him. I ask for him to reread the legislation because I think he is off in a direction not consistent with the goals of the bill.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I believe that when the member opposite says he does not believe in quotas he is quite sincere. It does not matter how it is dressed up. If there is a numerical target that is a quota. It does not matter how it is dressed up, it is a quota.

I ask the member opposite to respond to two brief questions. In his comments earlier the hon. member said it was wrong that a woman should not be able to get a job because she was a woman. Is it also wrong that a man should not get a job because he is a man?

The Department of Justice in its employment equity guidebook uses an employment equity target with a table that specifies the following. It will recruit 2.2 per cent of aboriginal peoples with promotions at 1.1 per cent; 2 per cent of persons with disabilities with promotions at 2.8 per cent; 4.4 per cent of visible minorities with promotions at 2.7 per cent of the total staff. If these are not quotas, what are they?

Mr. MacDonald: Mr. Speaker, I do not know what the members opposite do not get. This is a very simple piece of legislation. There is a history to this legislation. It is an amendment to an existing act. I cannot recall anybody contacting my office in the last seven years and complaining that the federal government through the existing employment equity legislation was excluding anybody qualified from participating. I have not had that and I have a lot of public servants in my area.

There are many people who do not get a job and run out and say there was a black hired and they must have been hired because they were black. There are plenty of minorities, black, linguistic, there are many women who in the past have not been hired not because they were not qualified but simply because of who they were, because they were females, because they were black, because they were immigrants or because they spoke a different language as a mother tongue. That is the reality.

This is not about quotas. I do not support a quota system. However, I will not as a federal legislator shirk my responsibility to pilot policy for the public sector which we are responsible for to indicate that it appears there is a discrepancy in the hiring patterns and policies of many government departments.

Either one subscribes to the the fact that people of colour or women are unable to attain certain standards, which is why they are not hired, or one can encourage the setting of targets whereby the organization or the private sector company will examine whether its employees are reflective of the mix of the labour market it can draw from, and where it is not reflective to encourage that employer to set forth a plan to get participation by the labour market as close to the mix of the labour market by qualified candidates.

I do not agree with quotas but I do agree that we will get nowhere by going into denial and pretending there is equity in the workplace. There is not. This bill will help to establish that it is a priority for Canadians and for the government. I am proud to say I am a part of the government that has taken the initiative to put this back on the public agenda.

The Acting Speaker (Mr. Kilger): Due to a ministerial statement and responses earlier, Government Orders will conclude at 5.46 p.m., at which time we will proceed to private members' hour.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, when I look across the House it is interesting. I see more ties that bind us than divide us even on such a sensitive issue as employment equity, which we oppose.

• (1735)

The hon. member gave some very eloquent points on issues where we have a lot of commonality. We in this party deplore and oppose with every strand of our bodies discrimination against anybody. We would fight to a person against anybody who was committing these offences on our soil.

Therefore I find it amazing that the government wishes to put forth employment equity which by its very nature is discriminatory and against our charter of laws and freedoms.

The original ideals of employment equity, affirmative action of fairness, equity and a level playing are what we in this party are fighting for. That was the original intent. Unfortunately what has happened with employment equity is it is being distorted. It has been plasticized and distorted so it does not resemble its original.

Tragically employment equity now holds up that people will be advanced on jobs or acquire jobs on characteristics designed by the government to advance people. The characteristics have nothing to do with ability and merit but have everything to do with characteristics that have nothing to do with the important aspects of getting a job, merit and ability.

This in effect is discriminatory by its very nature because it is promoting people on non–objective criteria and it is also very harmful to the economy. It is also very insulting to the individual getting a job for characteristics that have nothing to do with their education, their ability or their merit. I do not think that was ever taken into consideration by the government.

I do not think the government has put itself into the shoes of those individuals getting jobs like that. Furthermore it causes divisions and discrimination within the workplace. That is not fair and it is not good for the soul of the country.

The logic of the new employment equity law is clearly a flagrant abuse of the charter of human rights and freedoms. If one looks at the charter one can argue quite persuasively that employment equity is discrimination and should be thrown out on that ground alone. In other areas of the world where employment equity has been put forth such as California and in the province of Ontario, it has been thrown out. Why has it been thrown it? It does not work, it is discriminatory and it causes incredible social divisions within the populations it is supposed to help.

That is not what we want in Canada. We want a country in which everybody is treated equally, in which people advance on merit and in which people can look at each other face to face as equals with mutual respect and admiration.

We do not want Canada to uphold policies that are divisive and which pit groups of people against each other. That has gone on for far too long. I challenge people in the government to go into the streets and ask people in the workforce about this. Tragically that is what has happened. We should not have that in such a beautiful country as ours, a country that has historically done an admirable job of merging so many ethnic groups in a peaceful environment. That is something all Canadians need to be proud of because very few countries enjoy that.

Employment equity also seeks to promote quotas. No matter what members of the government say on the other side, employment equity means quotas. It means numbers. Any employer will say that is what they are obligated to do.

The unfortunate thing that employment equity brings forth is the whole aspect of work for equal value. It is an artificial designation that tries to have the government determine what kind of work should be paid for equally with another disparate work. What kind of work is supposedly of equal value in an economy? The only legitimate place to decide what work should be paid for and its value is in a free market economy. That cannot be designated by government power. It must be decided in a free market economy. Anything less is extremely destructive.

• (1740)

Governments must argue for laws which are anti–discriminatory. The debate which took place a few moments ago involved my colleague and a member of the government. What struck me as very interesting was that they were both arguing the same point. They both want laws which are anti–discriminatory and feel the government's role is to ensure those laws are on the books and that they are applied.

The second role of government is to apply equal opportunity. It is imperative, particularly for those most dispossessed in our society, to have equal opportunity. That is one of the failings we see. Many people who are in the lower socioeconomic strata do not have that opportunity. It is important we create that opportunity so they can become the best they can become. That is the legitimate role of government. We in this party would strive very strongly for that and we would help government members to put forth strong plans and strong legislation to create the greatest opportunities for people.

The other aspect is to create fairness. It does not matter whether a person is black, brown, polka dotted, aboriginal, male, female, Jewish, Christian, Muslim or Hindu. What matters is that the laws and the opportunities to get jobs are applied equally.

The hon. member brought up the point of people applying for a job and being discriminated against. We completely agree. We are arm in arm with enforcing those laws so that when a person applies for a job they are treated on their ability and their merit.

The other role of government is to create skills. Tragically we saw that money was pulled away from post–secondary education very recently. We understand very clearly the situation all governments across the country are in with fiscal problems. There is a way around that. We can cut from the federal budget but give the provinces the ability to raise the moneys themselves for education. We cannot build a strong economy and provide individuals with the skills necessary for them to get jobs in the 21st century if we cannot make educational opportunities available to them.

The single most important determining factor in getting a job is post–secondary education. It is important for us to support the post–secondary educational facilities so they understand what the needs of the economy will be in the future. We must provide them the ability to communicate those economic needs to the students, particularly when they are in high school, so they can plan for the future.

I hope we do not pursue employment equity. It has been a failure in other parts of the world. It is discriminatory. It is a tragic example of Orwellian social engineering, a type of social engineering we do not need.

We are very sensitive to the needs of the disadvantaged. The hon. member mentioned the plight of the aboriginals. I have worked with many aboriginals under the most tragic and harrowing circumstances. It breaks my heart to see what they have to endure. It is very important for us to understand that historically we have created an institutionalized welfare state in which the souls of these people have been broken. It is important for us to address their needs in a sensitive fashion and to provide them the skills and opportunities to enable them to take off the yolk of poverty and discrimination which they have endured for so long.

However, it is not the job of government to push people into jobs based on their characteristics. I hope the government will take this to heart. I hope the minister of aboriginal affairs will engage in activities which will help these people help themselves. I hope we can create a country that is free of prejudice and full of opportunity, that makes sure that Canadians are treated equally and we can look at each other face to face as equals in an environment of peace and harmony.

I know we in this party would like to stand together with all members in this House to ensure that legislation is effected to enable all Canadians to live in that environment.

The Acting Speaker (Mr. Kilger): It being 5.46 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

UNDERGROUND ECONOMY

The House resumed from September 27 consideration of the motion.

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, it is a pleasure to speak today on Motion No. M–382 introduced by the hon. member for Mississauga South.

The issue of the underground economy is of concern to me and should be of concern to all Canadians. Most Canadians have been faced with an offer to pay cash for a lower price. When someone offers a lower price for cash and does not provide an invoice, at least two things happen: one, the consumer has no protection or recourse against poor workmanship; and two, governments lose revenue.

The greater the activity in the underground economy, the less revenue there is available to governments. Underground economic activity creates unfair competition for honest businesses. Jobs are lost and honest taxpayers are forced to pay more than their fair share of taxes.

I have spoken with the people of my constituency about the underground economy. Those who follow the law and pay their share of taxes do not like having to pay higher taxes because others are trying to cheat the system. Entrepreneurs who are trying to make an honest living say they do not like being at a competitive disadvantage to businesses and tradespeople who ask for cash payments to avoid paying taxes.

My constituents worry over how lost revenue is affecting the government's ability to maintain the social and economic programs so important to our well–being. When we accept the terms of a cash deal, what we end up doing is condoning a crime and promoting tax evasion.

As consumers, Canadians have to say no to offers of work for cash. It is in their interest to do so. First, work performed under the table means consumers are at risk if the work is poorly performed or the result is not of the quality expected. Second, as I said, it means taxes higher than they should be. Third, it means essential social services we all benefit from are being put at risk.

Businesses must recognize that in the end conducting business in the underground economy will do more harm than good. Honest businesses are put at a competitive disadvantage because they cannot offer a customer the same deal as that offered by someone who will do the work but not collect the taxes. Furthermore the reputation of an entire business sector can be damaged by just a handful of under the table entrepreneurs whose work is of poor quality.

I hear stories in my riding of Essex—Windsor about businesses that operate out of basements or backyard garages and only work for cash getting their referrals for jobs by word of mouth. These businesses usually give two quotes: a quote for doing work for cash and a second higher quote which includes the proper taxes. Many individuals and businesses engage in these illegal transactions as a way to avoid paying taxes. They think all they are doing is cheating the tax department but as I said a moment ago, their actions make victims of us all.

The negative effects of activity in the underground economy show up in the form of reduced essential savings and services, taxes higher than they would otherwise be, unfair competition and a reduced standard of living for the honest taxpayer. Governments cannot afford to allow this practice to go unchallenged. People have to know that there is fairness in the tax system, that honest businesses have a level playing field and that people who try to cheat the system will be dealt with appropriately.

The government has introduced measures for addressing the underground economy to ensure there is fairness in the way in which the tax system is being administered. The Minister of National Revenue's action plan calls on Revenue Canada:

First, to encourage voluntary compliance by making clear why compliance is important and explaining the consequences.

Second, to work closely with the provinces by setting up exchanges of information to better target and improve enforcement actions.

Third, to strengthen the department's program to identify non–filers and non–registrants.

• (1750)

Fourth, to establish special audit teams to focus on areas of high non–compliance: construction, home renovations, jewellery, hospitality, car repairs, and other service sectors.

Fifth, to work closely with other federal departments, key industry groups and professional organizations.

Last, to explore ways including legislative changes to improve reporting, to enhance the effectiveness of penalties and to improve audit and investigation techniques.

The results of the action taken to date are significant. As of last March 31 over $860 million, over three–quarters of a billion dollars, in additional taxes have been assessed as a result of the government's underground economy initiative. I should point out that the underground economy initiative is only one part of Revenue Canada's overall enforcement efforts, efforts which generated $3.7 billion in additional taxes assessed in the 1994–95 fiscal year.

The government has also established close working relationships with a large number of associations whose members know often from firsthand experience how the underground economy can hurt Canadian business. Revenue Canada has consulted with more than 240 groups, such as the Certified General Accountants Association, the Canadian Institute of Chartered Accountants, the Canadian Home Builders Association and the Direct Sellers Association.

These groups have described how revenues and jobs are being lost. They know how businesses face unfair competition from those who do not play by the rules. Consumers lose out when they get goods and services through the underground economy since they forfeit any guarantees of quality backed by reputable firms. With their assistance, Revenue Canada is refining its strategies identifying areas of non–compliance and exploring measures for improving compliance.

In my riding the department has been in touch with the Home Builders Association and is getting information that might be useful in identifying non–compliance.

Revenue Canada also has close ties with the provinces. Co–operation arrangements are in place with all the provinces. Revenue Canada has moved beyond the simple exchange of information and the department is doing joint audits with the provinces. It is sharing audit strategies, training materials and expertise. The provinces have supplied Revenue Canada with databases containing such information as PST registrants, liquor licences, building permits and vehicle registration information as well as the names and addresses of new and used car dealers.

There is also federal and provincial co–operation in terms of ensuring that taxpayers have information to help them voluntarily comply with the law as well as information on the consequences associated with non–compliance.

For example, Revenue Canada has carried out community visits with representatives of provincial tax administrations. During these visits, businesses are given information on the underground economy and information and assistance to help them comply with the tax laws. Departmental officials also ensure that businesses are properly registered for tax purposes and when necessary, encourage businesses to comply with the law where they are not.

Across the country more than 40 community visits have been conducted involving more than 10,000 businesses. The department has increased and targeted its audits to focus on areas of high non–compliance and strengthened its ability to identify non–filers and non–registrants.

In 1994–95 an additional $245 million was assessed through the non–filer program and an equal amount through the non–registrant program. Nearly 11,000 audits were completed in the high risk sectors which resulted in a further $90 million in taxes being assessed.

Revenue Canada has increased its publicity of convictions for tax evasion. During 1994–95 there were more than 170 convictions for evasion of income tax and GST. There has been a doubling in the number of voluntary disclosures as a result and the department now receives about 19,000 referrals a year from Canadians who are tired of their neighbours and friends not paying their fair share of taxes.

Revenue Canada's preferred approach is to encourage voluntary compliance. It works. Ninety–five per cent of all revenues are collected without the need for enforcement action. A great deal has been accomplished since the Minister of National Revenue launched his action plan for addressing the underground economy in November 1993.

While the government has introduced concrete measures for addressing the underground economy, it is not exclusively the government's responsibility. All Canadians must do their part, individuals and businesses alike.

Canadians need to talk about the negative consequences of the underground economy. They must resist the temptation and simply say no. I urge members of the House to carry this message back to their constituents. I urge members of the House to work diligently with their constituents to come up with the answers.

I would like to thank the member for Mississauga South for putting forward the motion allowing us to debate an issue of extreme importance to all Canadians. The motion has forced members on both sides of the House to talk about a serious problem. I am hopeful it will eventually result in those now in the underground economy returning to the legitimate economy. I am confident that we are making the right progress in dealing with the problem.

• (1755)

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I am pleased to have this opportunity to make a few comments on Motion No. 382 sponsored by the member for Mississauga South.

Let me say from the outset that I have spoken with a number of people who run businesses in my riding of Lambton—Middlesex about the underground economy. Those who respect the law and pay their taxes do not appreciate having to pay higher taxes simply because others are trying to cheat the system.

Entrepreneurs and small business people who are trying very hard to make a living do not like being at a competitive disadvantage of businesses and tradespeople who ask for cash payment to avoid paying taxes. My constituents also worry over how lost revenue is affecting the government's ability to maintain Canada's social and economic programs which are so important to our well-being.

The issue that is the focus of this motion is of major importance to all Canadians right across the country. The greater the activity in the underground economy, the less revenue there is available to government. Underground economic activity creates unfair competition for honest businesses. Jobs are lost and honest taxpayers are forced to pay more than their fair share of taxes.

There has been a great deal written about the size, extent, nature and causes of the underground economy. As members are probably aware, estimates on the size of the underground economy vary widely depending upon the methodology used, anywhere from 2.5 per cent to 3 per cent of GDP to over 20 per cent, or from $20 billion to $140 billion a year. Regardless of its size, there is no disputing the fact that the underground economy exists and its corrosive efforts are exacting a huge toll on Canadian society.

Why then do people make the decision to go underground? There are many reasons. However, I would submit that none of these reasons is legitimate. There is the myth that everyone is doing it, so I may as well. There is the perception of the GST as an unfair tax which enables someone to rationalize their behaviour as acceptable. Others perceive the tax system as too complex and cumbersome to even bother with it. Then there are those who feel that it is easy to get away with it, so why not take the chance?

We have to also acknowledge a widespread disrespect for government and politicians and the accompanying perception that government is wasting the money it takes in from Canadians and that they are getting poor value for their tax dollars.

While none of these reasons can justify not paying one's fair share of taxes, the fact remains that an unfortunate snowballing effect is created once the decision is made to go underground. There is the fear that once one has gone underground, it is too difficult to come out.

There is the perception that if people have gone underground long enough, they might not be able to come out even if they wanted to because there would be no possibility to pay the taxes, let alone the interest and penalties, simply because there would be no paper trail made up of bills, invoices and so on. Faced with this set of circumstances, those who would like to reform their bad habits perceive it cannot be done. They are somehow stuck.

One of the most attractive aspects of Motion No. 382 is the provision for a limited amnesty on interest and penalties otherwise payable when a taxpayer voluntarily declares income previously undeclared. The inducement to go straight would allow the previously delinquent taxpayers to voluntarily come forward without penalty for a limited time and start paying his or her fair share of taxes once again.

Another component of the motion is a proposed tax credit to taxpayers on home improvements and renovations. This would provide an inducement to create an essential paper trail and to serve as one of the primary vehicles for a country wide information campaign.

The motion before the House demonstrates a desire on the part of the member for Mississauga South to get Canadians talking about the negative consequences of the underground economy and to hopefully find ways to encourage as many people as possible to return to the legitimate economy.

There must be a public campaign which emphasizes that tax evasion is a crime and that it is certainly not a victimless crime as is often argued. All Canadians are victims, because tax evasion leads to job loss, increase in the deficit, honest taxpayers carrying more of the burden, and legitimate businesses operating in an environment of unfair competition, sometimes leading to their bankruptcy.

• (1800)

I believe the co-existence of the amnesty program and the tax credit for home renovations with more traditional public awareness campaigns would serve to educate Canadians on the facts of the seriousness of the existence of the underground economy and how they can help to eliminate it. I also believe there will be a change in the attitude of Canadians toward paying their fair share of taxes if they can be convinced that government is upholding its responsibility in enforcing the law in a tough but fair fashion.

To his credit, the Minister of National Revenue, through a series of thoughtful initiatives over the past year and a half, has been successful in recovering over $800 million in unpaid taxes. But the department has done more than just collect unpaid taxes. Through consultation with over 240 groups and associations, the department has learned how to refine its strategies, identify areas of non-compliance, and explore measures for improving compliance. For example, the government's recent budget announcement of a measure to address the problem of the

underground economy in the construction industry is a direct result of its consultation efforts.

The department has increased its publicity of convictions for tax evasion. As a result, there has been a doubling of the number of voluntary disclosures. The department now receives about 19,000 referrals a year from Canadians who are tired of some of their neighbours and friends not paying their fair share of taxes.

The motion before the House demonstrates a desire on the part of members to get Canadians talking about the negative consequences of the underground economy and hopefully find ways of encouraging as many people as possible to return to the legitimate workplace within the mainstream economy.

I would like to take this opportunity to fully endorse the motion brought forward by the member for Mississauga South and I would encourage all members of the House to do likewise.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I appreciate the opportunity to speak on this private member's bill by the member for Mississauga South. I hope his constituents will appreciate the hard work he has put into this. I know of his deep concern. Members of Parliament have all heard this concern from our constituents. Perhaps there is no concern that hits as close to the heart of every citizen in the country as what is taking place in the underground economy. I applaud the hon. member for trying to address the problem.

The underground economy is costing the Canadian economy upwards of $90 billion every year. The underground economy is a clear response from the taxpayers that they are angry and fearful. They are angry because they see more and more of their pay cheques being eroded and they receive less and less money to provide for their needs. It is becoming increasingly difficult to survive in this country. Perhaps the single most important reason for this is because of our tax structure. I will look at the reasons a little later.

The high taxes have also damaged our ability to compete internationally. For a country such as ours, which relies on our export potential to maintain our standard of living, there is perhaps no other factor within our economy that is so damaging to the ability for us to do that. We worked so hard to get agreements on the NAFTA and the free trade agreement, but we have unfortunately hamstrung the ability of businesses in the country to compete internationally. The single most important reason we cannot do it is because of the tax structure. We have seen many business go under. When I go back to my home in Toronto, I see many businesses that have been passed down from generation to generation that have gone bankrupt. The reason is partly because of the tax structure.

• (1805)

We see many businesses that flock south. People hold up the free trade agreement as a reason that is so, our inability to compete. The real reason most companies have actually fled south is because of the high tax structure, which strangles the ability of Canadian companies to compete internationally. We have one of the highest tax structures in the world.

Yesterday we saw that the IMF has actually downgraded our ability to get money from the IMF. The reason is because our ability to get our debt and deficit down is not good enough. The high taxes that we have are the result of the high debt and deficit that we have in this country, nothing else. It has been a consequence of course of the high spending that Canadians have endured for years and years, overspending by successive governments. This has combined with an extremely complex tax structure and high administration costs to create the terrible tax structure we have today. The result of that has been the underground economy, which is costing us $90 billion or more a year. That is why the hon. member for Mississauga South has put forth these endeavours.

I will talk for a moment on what I agree with and what I disagree with. Part C of the hon. member's bill, which would provide a tax credit for individuals who wish to hire other individuals in their homes to do work, is a very good one. It will provide transparency in a system that is currently opaque. A good member from my community in Esquimalt—Juan de Fuca, Mrs. Shirley Wilde, put forth a similar idea. We have presented this to the Minister of National Revenue. I look forward to a response from him in the near future. I hope this is something we can work together on in this House.

I disagree with part A of his bill, the information campaign, for the simple reason that it will entail costs and expenses for the government and will add to the tax burden of Canadians.

I suggest the government look at new ways to get our spending under control, to get the deficit down to zero, and to attack the true ogre in this equation, which is the debt. We presented our zero in three deficit reduction plan, which I hope the government will look at, because there are very sensitive but very concrete ways in which we can get our spending down so that it will not hurt the people in our country, in particular those who are most dispossessed, which is something we share a common interest in.

We have to get the GST down and simplify it. When we go out to the business community, no other single complaint so irks them as the GST, a system that is unfathomable, entirely complex, and whose administration costs chew up over one-third of the moneys that are generated.

We have to decrease taxes overall. Back in 1992 the government of the day did decrease taxes. Interestingly enough, it found that its revenues increased. What did it do? It began taxing wildly. This wild taxing spree, instead of increasing government revenues, actually decreased them. There is a lesson in there for any government: decrease the taxes and the public will become more honest in their representations and will spend more. In fact, there will be a stimulation to the economy.

I ask the government and the Minister of Finance and Minister of National Revenue to look at the flat tax that has been proposed by our party. The flat tax will provide equanimity to all Canadians.

One of the things that make Canadians extremely furious is they feel that the more they work the less they have to take home; the harder they work, the more they give to the government. Little erodes the soil of the Canadian economy or any economy more than if a worker feels that if they work harder they are going to take home less. We have to institute the incentive factor back into the soul of the Canadian economy. Right now it is dead. Canadian workers wonder why they should work harder when they are giving more and more tax money to the government and less and less money is left for them to spend.

• (1810)

I ask that we provide the Canadian people with increased earning power, with an increased ability to keep more money at home. The only we way can decrease the extent of the underground economy is to get spending by the Canadian government under control. Canadians are fed up with the overspending. We must do this not only for the future of the people in this House and our families but for future generations.

I appreciate the hon. member's introduction of this private member's bill. I hope we can look at part C of that bill to discover new ways to increase transparency in the economy we have now so we can decrease the extent of the present underground economy so there will be more money in the public coffers and fairness and greater equanimity among the tax structures we have.

We are working on this together. I hope we can come together to develop a tax structure that is fairer to all Canadians, a tax structure that provides the government with the ability to get its spending under control while providing more money for Canadians to spend.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I congratulate the member for Mississauga South on Motion No. 382, which addresses the ongoing problem of the underground economy. The motion demonstrates his interest in the problem. It encourages debate on something that really has bedevilled the government in our attack on both the deficit and our desire to pursue and maintain our social programs, because the collection of revenues is impeded.

I hope this debate allows Canadians to focus as well on the problem and to reflect on the difficulties created by the underground economy. In my constituency of Windsor—St. Clair I hear regularly from constituents who understand the problem and who resent their neighbours who operate within the underground economy.

Cash business transactions, cheap smuggled beverage alcohol, under the table employment, and other practices of this type shortchange all of us. When we do this we do not remit taxes. The taxes themselves would help to maintain our health plans, our roads, our universities, our social programs. When we do this we help to create unfair competition for honest businesses who do remit taxes. When our neighbours do it, they help ratchet up our own tax bills.

This motion calls on the government to consider establishing initiatives to address the underground economy that exists in Canada today. A great deal has been written about this phenomenon: its size, the social and economic costs, the reasons people abandon the legitimate economy in favour of under the table transactions, and suggestions for dealing with the problem.

The issue is of concern to me and it should be of concern to all Canadians because the underground economy has significant implications for all of us. The greater the activity in the underground economy, as I said earlier, the less revenue available to governments. The creation of unfair competition for honest businesses has driven some small new businesses, marginal businesses, out of operation. This results in lost jobs and in us paying more taxes.

I agree with the hon. member for Mississauga South that Canadians must act on the problem of the underground economy. I say all Canadians because the responsibility for dealing with the issue does not rest entirely on the shoulders of the government. We all have a responsibility and a role to play. Public confidence in Canada's tax system depends on all of us paying our fair share and having the confidence that our neighbours are doing so as well.

Individuals and businesses involved in underground economic activity are not playing by the rules. Governments cannot afford to allow the practice to go unchallenged. People have to know there is fairness in the tax system. They have to know that honest businesses have a level playing field and that people who try to cheat are going to be dealt with appropriately.

Public confidence depends on effective government measures as well. It is for this reason that our government has introduced measures to address the underground economy and other forms of non–compliance. Revenue Canada has put in place a compliance strategy that supports self–assessment and voluntary compliance through assistance, education, services, and responsible enforcement. It seeks to ensure that revenues legitimately owed to the government are collected. The strategy is comprehensive, covering the entire portfolio of Revenue Canada and all dimensions of revenue administration. It is also dynamic be-

cause it is sensitive to modern business practices and the changing forces at play in both the national and local economies.

• (1815)

It is a targeted program which makes use of modern technologies, compliance research and a cross–matching of information from Revenue Canada's extensive databases, other federal departments and provincial revenue administrations.

The department's approach also recognizes there are many different kinds of taxpayers, individuals, corporations, salaried employees and others.

The department has launched special projects as well to address areas of systemic concern, as in the case with its underground economy initiative announced by the minister of revenue in November of 1993. The department has established special audit teams to focus on construction, home renovation, jewellery, hospitality, auto sales, repairs and other service sectors which are areas of high non–compliance. Under this initiative we have put agreements into place with all of the provinces to co–ordinate actions and to ensure progress.

The government's underground economy initiative also involves working closely with business, unions, industry and professional groups to identify ways to further strengthen Revenue Canada's enforcement efforts and to encourage voluntary compliance. During the last year departmental officials consulted extensively with more than 240 groups. They know that tax evasion cheats honest workers out of steady, secure employment and compromises the ability of governments to provide service. They want to help.

Specifically I will address that part of the motion which suggests some relief or limited forgiveness on interest and other penalties which would be payable when a taxpayer voluntarily declares previously undeclared income. This section of the motion calls for an amnesty. The suggestion is an interesting one in terms of how it might facilitate the return of individuals and businesses from the underground economy to the legitimate economy. In no way, however, should it be possible for taxpayers to get away with not paying the taxes they owe. There is merit to the thrust behind the suggestion but I think there are some problems with it as it is framed here.

Opportunities already exist for Canadians who may have deficiencies in their tax reporting to come forward and get a clean bill of health from Revenue Canada. The preferred approach to non–compliance is voluntary disclosure. The department has a voluntary disclosure policy which I as a lawyer in my previous life was able to use to assist clients who had been following business and personal tax practices which did not comply with the law.

This policy allows individuals, partnerships, corporations, trusts, non–profit organizations, charitable and other organizations to come forward to correct deficiencies in their reporting to the department. When a disclosure is made voluntarily before the department has started its audit or other enforcement action, then no penalties or other sanctions such as prosecution for tax evasion will be imposed. The taxpayer will have to pay the amount of taxes or duty owing plus interest. This is a fair policy. It is a form of amnesty which has been available for some time.

I do not agree, however, that interest should be set aside. The interest owed reflects the true value of the money. It also recognizes the fact that those who have not paid their taxes on time have had the use of these funds, which essentially they were holding in trust for the government.

Revenue Canada under its voluntary disclosure policy takes a responsible approach to collections. Arrangements can be worked out so that the taxes owing to the government are paid in a manner which does not cause undue hardship for the taxpayers. This aspect is particularly important to those individuals or businesses operating in the underground economy for some time that feel they would face onerous penalties if they were to come clean and operate honestly.

A person can make a voluntary disclosure by contacting a Revenue Canada office directly or by having someone do it on their behalf, such as an accountant, a lawyer or a friend who wants to assist. A disclosure will be considered voluntary so long as it is made before Revenue Canada has basically started its audit or any other enforcement action.

• (1820)

As a result of co–operative agreements Revenue Canada has with the provinces, we are working toward developing a co–ordinated voluntary disclosure policy with all of the provinces. It is our view that a consistent policy among the federal and provincial governments with respect to disclosure will make it easier for taxpayers who have decided to rejoin the legitimate economy.

I believe we need to be careful about tax amnesties. When tried in the past, more extensive tax amnesties than what are available under the voluntary disclosure program, they have had only limited effect. They may actually create more non–compliance. This happens because people believe that once an amnesty is in place others will follow and so they can wait and delay co–operation. The result is less compliance, not more.

People also believe that when there is an amnesty policy in place that will forgive interest it becomes their right to avoid paying interest on taxes.

A great deal has been accomplished since the Minister of National Revenue introduced his action plan for addressing the underground economy. The initiative has resulted in more than $860 million in additional taxes assessed. Revenue Canada's ability to identify non–filers and non–registrants has been strengthened. The department has put co–operation agreements in place with all of the provinces and is working in partnership with private sector groups.

It is clear Canadians are concerned about the underground economy and that Canadians are willing to work together to find solutions. I thank the member again for this motion. I congratulate him on it because it demonstrates a desire on his part and on the part of his constituents to get Canadians talking about the negative consequences of the underground economy and to find ways of encouraging as many people as possible to return to the legitimate economy.

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, I will make a few comments in support of Motion No. 382, sponsored by the member for Mississauga South.

We as as government are asking people to make significant sacrifices in the name of deficit reduction. I believe most Canadians understand the seriousness of the situation and are prepared to make these sacrifices.

While they may grumble about taxation, Canadians in general are quite prepared to contribute a fair portion of their income in return for the services they want. They have made it very clear the services they want include medical care, solid infrastructure and transportation systems, safe communities and income security for all Canadians.

However, I also believe they are fed up with seeing their hard earned money wasted over the years in ways they would never countenance. They want us to spend their money the same way they spend it, carefully, thoughtfully, with due consideration of what it took to earn the money in the first place. That expectation is fair because after all it is their money.

The public is watching us very closely. When it hears of lavish spending or wasted funds at any level of government, federal, provincial or municipal, its confidence in all governments is eroded.

We as a government recognized this right from the start and have taken many steps to ensure that taxpayers get their money's worth. This is extremely important and I urge all members to keep up their vigilance in this area.

When people see government as a black hole, sucking their money in and giving nothing back, they tend to wonder why they should pay tax on that kitchen renovation or that load of gravel.

• (1825)

For many individuals and businesses, participating in the underground economy has become a convenient way not only to avoid paying taxes but to take some small action against what they see as governments they do not trust placing unfair burdens on them.

They may feel their financial situation justifies their actions. It may be several years since their last pay raise or even their last regular pay cheque. They may have lost their previous job because of government cutbacks or downsizing. They may feel the tax system is too complex or unfair.

Whatever the reason, it is of paramount importance they come to understand the damage they are doing to the economy of the country and ultimately to themselves. Estimates on the size of the underground economy vary widely depending on the methodology used from $20 billion to $140 billion a year.

Even if one were to assume the lower figure is more correct, that is still $20 billion not available to governments to provide necessary services for their taxpayers.

Underground economic activity creates unfair competition for honest businesses, jobs are lost, honest taxpayers are forced to pay more than their fair share of taxes, and once again they feel cheated. It is a vicious cycle and people must understand the underground economy makes victims of us all.

We in the House as well as all Canadians must consider the real cost of underground economic activity. The cost is huge. It shows up in reduced essential services, taxes that are higher than they would otherwise be, unfair competition and a reduced standard of living for the honest taxpayer.

How does the underground economy affect the legitimate business person trying to be competitive? Right from the start honest business people are at a competitive disadvantage because they cannot offer a customer the same deal offered by someone who will do the work but not collect the taxes. The end result is that the legitimate business person faces unfair competition and jobs are lost.

The consumer who takes the lower price and pays cash must understand that he or she is cheating the system and becoming party to the evasion of taxes. They must come to understand they are benefiting from the full range of government services but that by engaging in the underground economy they are no longer paying their fair share. They are taking part in a transaction that jeopardizes our health, education and other essential economic and social services.

The motion before the House suggests the government educate the public and encourage its participation in addressing the problem. I support this suggestion wholeheartedly. Canadians need to know the facts about the seriousness of the underground economy and what can be done to reduce it.

The government has recognized this essential truth and has made education a fundamental element of its action plan to address the underground economy.

During the past year officials of Revenue Canada have been actively consulting with individuals and associations across Canada.

With the Canadian Institute of Chartered Accountants, for example, the department established a working committee to investigate the causes of the underground economy, examine audit techniques and identify training that would assist in tracking down unreported or under reported income and identify opportunities for reducing the cost and administrative burden of compliance for businesses and individuals.

These groups are taking the message of the risks of dealing in the underground economy back to their membership. The message is simple: Every citizen and every business has a role to play in eliminating the underground economy. Individuals can start by refusing to deal with businesses and tradespeople who ask for cash payments. Businesses can do their part by turning down demands to do work off the books.

• (1830)

The increased publicity given this problem by the minister of National Revenue is having an effect. The number of voluntary disclosures where people come forward to voluntarily correct their tax affairs has doubled in the past year. The member's suggestion that a limited amnesty on interest and penalties be offered to taxpayers who voluntarily declare income previously undeclared is a good one and will result in even more honest Canadians coming forward.

I am confident that we are making progress in dealing with the underground economy and other forms of tax evasion. I applaud the member for Mississauga South for his efforts to stimulate discussion on the issue. I urge members of the House to carry the message back to their constituents.

We in government have recognized that we must take positive action to restore respect, trust and confidence in government and we are doing our part. I urge members to talk to their constituents about the underground economy, its seriousness and how it can be reduced. I urge Canadians to do their part to discourage this harmful activity.

The Acting Speaker (Mr. Kilger): This brings to a conclusion the debate on Private Members' Motion No. M–382.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to.)

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

GOVERNMENT SUBSIDIES

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I wish to go back to an answer I deem unsatisfactory which the Minister of Human Resources Development gave to a two–part question on unemployment insurance and training I put to him during question period on September 28.

In his reply, the Minister of Human Resources Development made a comment which I would describe as somewhat improper in that he responded, not accepting my position with respect to training, that:

> —there is something the matter with the hon. member. I have a letter he wrote me asking for my support in a youth project sponsored by the federal government in his riding. I am very pleased to say I would certainly like to give him the assurance of supporting that project if he can give me the assurance of supporting the no vote on October 30.

Mr. Crête: Unacceptable.

Mr. Dubé: As my colleague for Kamouraska—Rivière–du–Loup suggests, totally unacceptable because this shows a contempt for democracy.

Yet the Minister of Human Resources Development is an experienced parliamentarian. A parliamentarian who has been in opposition for at least nine years. For nine years, and I have read and reread many of his speeches, he has been severely critical of the accomplishments of the Conservative government, as it was his role to do. I find no fault with that. When he was in the opposition, it was his role to criticize government programs.

In this case, he refers to one letter, yet the next day the parliamentary secretary indicated to me that there was a second letter on two projects. As for the projects in question, there was a project sponsored by Ateliers Jeunesse in my riding, a project called JET created to set up a part time job bank for high school students. It had nothing whatsoever to do with training.

• (1835)

The next day, the parliamentary secretary, substituting for the minister, mentioned another project connected with Youth Service Canada. Sure, I criticized Youth Service Canada, but this was for an incubator program. My complaints about Youth Service Canada were about the fact that the training components contradicted of Quebec's policy on manpower training.

I was consistent in supporting the project submitted under this program because there was no manpower training component. The emphasis was more on an incubator program to help young people create their own business.

I would have a lot more to say about this, but since there is so little time, I would say it is a matter of principle. As I see it, this is blackmail, an attack on our democratic system.

I was elected by the people of my riding to represent them. That was my purpose when I sent projects to the minister for his approval. Now he asks me to support the No side, and if I do, he will approve this project. That is unacceptable.

If it were an isolated incident, I would say it was just a slip of the tongue. In that case, the minister should have said: "Listen, I spoke without thinking. That is not what I meant". But the next day he was not in the House, and he let his parliamentary secretary answer instead, who proceeded to criticize my criticism of this program.

I think that is unacceptable, especially in the present circumstances when comments of this kind keep cropping up. For instance, in a secret document prepared by Industry Canada, companies were listed according to their political allegiance, to see whether the projects should be funded.

I think that is unacceptable. I am making this speech today within the precincts of the House of Commons, where we meet as democratically elected representatives. I invoke the right we have in this House to demand that this be rectified, that members opposite on the government side stop their blackmail, because we will not tolerate this.

Thank you, Mr. Speaker, for giving me this opportunity. It seems no one will bother to respond. Very democratic indeed.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, first of all I would like to point out that the Minister of Human Resources Development was rather surprised at the support shown by the hon. member for Lévis for a Youth Service Canada project in his riding.

This was the same member who had previously said Youth Service Canada was an invasion of provincial jurisdiction. It is therefore difficult to account for the enthusiastic support shown by the hon. member, considering his opinion of federal initiatives.

Nevertheless, as the Secretary of State for Training and Youth pointed out to the hon. member in a letter dated September 5, 1995, the proposal is still quite interesting, but we need a few details.

The promoter, Alliance–Jeunesse, was asked to revise its proposal, and the Youth Service Canada secretariat offered to send one of its representatives to provide assistance. As soon as we receive the proposal, I can assure the hon. member it will be processed immediately.

Meanwhile, I think the hon. member will be pleased to hear that the minister has already provided a great deal in the way of employment assistance in his riding. In fact, according to the latest figures, those available for 1994–95, assistance for residents in the riding of Lévis totalled $7.7 million. That is a very substantial amount.

This would seem to argue against the assumption of the hon. member that the minister allocates funding on the basis of the way the member for the riding voted or intends to vote.

Clearly the hon. member's allegation has no basis in fact.

• (1840)

[*English*]

FOREIGN AFFAIRS

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, today in question period I asked a question about the share of spinoffs from Canadian international development aid that goes to Quebec. From what I have heard over the past few weeks in question period from Bloc Quebecois members, it seems they cannot decide whether they want the federal government to spend money in Quebec.

The Bloc claims that Quebec would be better off outside Canada in a separate country. However the facts and even the reports put out by the Parti Quebecois government in Quebec show that is not true. They show that Quebec is much better off inside Canada than it would be as a separate country.

One example of those kinds of facts is the case of international development aid.

[*Translation*]

For the year 1992–93, the last year for which provincial comparisons were made, nearly 30 per cent of IDA supplies came from Quebec. One third—which means 33.4 per cent—of registered consultants are from Quebec. More than one third—which means 36.3 per cent—of the contracts go to Quebec. The value of these contracts—a little less than $100 million—represents about one third or 33.1 per cent of the national total.

[*English*]

It is very clear that with approximately 25 per cent or a little less of the population of Canada or about one–third of these contracts in relation to international aid, Quebec does very well under the CIDA programs and under programs relating to international aid.

On the other hand, in the past at least Atlantic Canada has done so well. Atlantic Canada in recent years has received less than its share of international development aid spinoffs. We are seeking improvements in that regard.

I had the pleasure of serving on the foreign affairs committee until recently when I was moved to the justice committee. Last spring we had the president of the Canadian International Development Agency before our committee on the estimates. I had the opportunity to question her about a number of things. One of the matters I asked her about was the share of development aid contracts and spinoffs going to the Atlantic region. She agreed that there needed to be work done to improve that number. She recognizes or should recognize that Atlantic Canadian companies can perform as well as anyone else. I think we showed during the Halifax G–7 meeting that Atlantic Canadians can do things as well as anyone in the rest of the country and in fact the rest of the world.

I am looking forward to seeing the results of this year. I am hoping to see considerable improvements in regard to the level of the share of CIDA contracts going to Atlantic Canada.

Atlantic Canada has other complaints in other areas where we feel we do not necessarily always get our share. However we believe very strongly in the country. I think the majority of Quebecers believe strongly in the country; they believe strongly in Canada. Like the majority of Quebecers, we believe we can continue to work together to work out our problems. We can continue to improve and build Canada, the best country in the world.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, all of Canada's regions, without exception, benefit from the spinoffs of the official development assistance budget. The Government of Canada is not shy about drawing on the know–how of Canadians, who have both the necessary skills and the desire to contribute to the growth of a developing country.

Quebec has a wealth of such skills. It has always been committed to helping the most disadvantaged peoples. The Government of Canada is fully aware of this and regularly draws on this knowledge and goodwill in carrying out its assistance program.

This is how a number of Quebec companies have obtained contracts from the Canadian government enabling them to export their know–how. Permit me to name a few whose contribution is well known. They include the Société Vitronov of Montreal, which this year won the award of excellence from the Canadian Exporters' Association for an innovative project in biotechnology in Morocco. Other companies include SR Télécom, ADS Associés, Tecsult, to mention but a few.

The fact is that Quebec receives much of the spinoffs of Canadian ODA. Nearly 30 per cent of ODA procurement is done in Quebec. More than a third, 36.3 per cent, of contracts are concluded in Quebec.

Of the 45,000 jobs created in Canada by official development assistance, over 12,000 are in "la belle province".

Like other Canadians, Quebecers are opening up more and more to the world. They understand, as the century draws to a close, that the planetary stakes are so high we must pool our resources and strengthen existing partnerships.

The ODA program tries to resolve problems that present a real threat to security, both in Canada and in the rest of the world. The Government of Canada intends to continue to draw on Quebec know–how in helping to make the world a richer and a fairer place.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.47 p.m.)

HOUSE OF COMMONS

Friday, October 6, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

The House resumed from October 5 consideration of the motion that Bill C–64, an act respecting employment equity, be read the third time and passed.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, one thing that makes me most proud about being a parliamentarian is the opportunity to be a part of the passage of legislation like Bill C–64.

When each one of us makes the decision to run for public office it is because we have certain agendas, certain policies we want to put forward. Seven years ago next week, when I was first nominated to run for public office, I had an agenda and I still do. That agenda has a great deal to do with human rights. It has a great deal to do with regional disparity. It has a great deal to do with feminism and it has a great deal to do with fairness. Bill C–64 is a piece of legislation that certainly fits into my agenda. It fits into one of the reasons that although I was born into the great Liberal Party I chose it again as a student in university and later when I decided to run.

There are frequently misunderstandings about the expression employment equity. For example, there are people who confuse employment equity and affirmative action. Employment equity and affirmative action, while complementary, are not the same.

I used an analogy when I spoke at report stage and I will do it again because it bears repeating. At report stage I talked about the fact that we could use a medical metaphor. Employment equity is preventive. It is a preventive measure. It ensures that we do the right thing from the beginning. Affirmative action is curative. I might add, for those people who through misunderstanding find affirmative action repugnant, that affirmative action is enshrined in the charter of rights and freedoms and as such is something Canadians have taken to most strongly, not just Canadians of this political stripe but the majority of Canadians.

Affirmative action would not be necessary if employment equity were the rule rather than the exception.

• (1005)

A couple of phrases and a couple of taglines have arisen throughout the debate that need to be dealt with. The one I have to talk about is the usage of two words together in the English language whenever we talk about employment equity. Those two words are competent and woman. When I hear my colleagues say a competent woman should be allowed, another word I truly love, to advance as far as anyone else, I sit here in vacant and in pensive mood and wonder why we never use those words together about competent men.

Why are we always so afraid that some woman might slip through and might not be competent? With the greatest of respect—and I have already said on several occasions in this debate how fond of men I am in general—there are some incompetent men. We have seen them and they have not suffered in the employment equity wars as have perhaps legions of competent women.

The hissy fit I just had was a little patronizing. I did it deliberately. We can argue the merits of employment equity. Certainly these expressions irritate a number of women on this side of the House—and I look at my colleagues from Oakville—Milton, Windsor—St. Clair and Etobicoke—Lakeshore—as much as they irritate me. Perhaps it is not as much as they irritate me but they certainly are irritating. Perhaps I have become more irritable in these discussions. It may be because I have been having these discussions in the Chamber longer than my three aforementioned colleagues.

Whether we are patronizing, whether women or men are competent or incompetent, whether there is a feminist agenda, whether there is a Liberal agenda—and of course there is a Liberal agenda called the red book—it is important that the bill continues the legacy of fairness. It must continue the legacy of sound social policies which have made this country the envy of the world, which have made this country the country rated number one in the United Nations survey. Everybody here knows that in their hearts, in their minds and in all their lives. It has been a great blessing for all of us either to choose to come here or to have been born here.

We enjoy longer life expectancy, higher educational levels and a greater real income than anyone else in the world. This is an outstanding record of which anyone in Canada can and should be proud. However, it is based on a history of fair legislation, human rights legislation and employment equity legislation.

It began back in the days of Sir Wilfrid Laurier. It followed through with Mackenzie King, to Louis St. Laurent, to Lester Pearson, to Pierre Trudeau and now to the current Prime Minister. It is a legacy we in the Liberal Party are justly proud of and it is one that we will continue to further.

It would be dangerous, however, to sit back, to rest on our laurels and say that because of this history Canada is somehow a perfect place. It is not a perfect place. It is not a perfect place if one belongs to a visible minority. It is not a perfect place if one is a woman. It is not a perfect place if one has a disability. It is not a perfect place if one falls under any of the prohibited headings in the charter of rights and freedoms. We know that discrimination is still a fact of life; every one of us knows it. The whole reason for discrimination is fear of the unknown, fear of people unlike us, fear that somehow people who are unlike us will take something away from us or away from our children. However there is a Canadian tradition that rises above fear.

• (1010)

We are only now emerging from one of the worst recessionary periods in our history. Most of us in the House of Commons belong to that amorphous mass known as the post–war baby boom. This recession was the first real attack on our very privileged lives. Many of us were lucky enough to weather it without huge injury but many of us were not.

I stood in the House on many occasions in opposition and talked about the cost in human terms of the recession. I talked about the rate of bankruptcies, the small business losses. I talked about the number of young people, both men and women, who were not getting jobs and did not have any hope.

We are recovering. We know it and we see it. It is not coming perhaps as fast as we would like but it is coming. Consequently, because Canada is coming back to its accustomed prosperity, the time has come for legislation like Bill C–64 to shore up our employment equity promises and to ensure that all Canadians have fair opportunity.

There are times when it is important to deal with questions of gender equality with a relatively light touch. Members of the female gender remind male colleagues that life is better from womb to tomb for the lords of creation.

I said in the House the other day that in spite of the fears of some of our colleagues in opposition, white males get 50 per cent of federal government jobs. They get 60 per cent of the jobs nationally in both the private and public sector combined. Even more overwhelming, white males get 90 per cent of the promotions. With figures like that I believe it would be safe to say, and I do not think anyone would argue with me, probably the white male is not exactly an endangered species in the economic climate.

An hon. member: It is if we keep drinking the water.

Ms. Clancy: That may well be. I have spoken frequently to the hon. member for Edmonton Northwest about the amount of water he consumes in the House of Commons. I will not make any comments about the amount of air he deals with or the temperature.

However there are people in the country who suffer because the federal employment equity act does not have teeth until we pass this amendment. It cannot really be enforced. Bill C–64 brings in needed enforcement measures.

I talked about the fact that in opposition I was the vice–chair of the committee to review the employment equity legislation. We heard witnesses from all over the country. I remember in particular a group from the province of Saskatchewan that fell under federal jurisdiction and had taken to heart most seriously the whole question of employment equity.

• (1015)

These people very proudly showed us that their employee roster reflected the demographics where they lived and effectively the national demographics. There was probably a higher demographic percentage of aboriginal people because it was the province of Saskatchewan, but on a gender basis, disabled basis and so on, the demographics were extremely reflective of the society where they did their business. They also showed us the excellent quality of their labour relations and profit margins.

I do not understand what it is people fear from legislation that is clearly put on the books to ensure fairness for people who for generations, for thousands of years since the dawn of time have been systemically discriminated against because they are female, they are black, they are aboriginal, they are disabled, or for whatever reason under the blanket condemnation of discrimination enshrined in the charter of rights and freedoms. Why do people fear legislation that promotes fairness?

Why do people fear something which says if there are two equally qualified people and one of them comes from a disadvantaged group that it is time to give the benefit to the member of the disadvantaged group? Why is that a frightening thing? Is it because there is a lack of confidence in their own ability to succeed? Is it because there is that fear of the unknown which I spoke of earlier, the fear that someone with a different skin colour, or a female of the species, or someone who needs extra help because of a disability will surpass you and show you that in spite of the perceived disability or the perceived discrimination that person is possibly a finer or a more productive person than you are? That kind of response is unworthy of Canadians. It

is unworthy of a society that is held up as an example to the world.

All of us have unworthy thoughts. All of us have fears. We all have great trepidations about what the future will hold, not just for ourselves but for our children and for the generations to come. All of us here in the House have a particular responsibility which is to somehow get over those fears and to deal with those fears. We have to look at the larger picture of Canadian life and do our very best to legislate in a way that will benefit the largest number of Canadians.

I said at the beginning that all of us came here with an agenda, with things we wanted to see accomplished. I said that one of the things I wanted to see accomplished as a member of Parliament was a furtherance of human rights and fairness. Bill C–64 again is one of the reasons I am proud to be a member of Parliament. I support this bill and I will be delighted to see it pass.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the official opposition has given its support to this most praiseworthy bill. We have been listening to the comments of the third party since yesterday, and I do appreciate what the members across the floor have had to say, something the opposition can rarely state.

I would, however, like to ask the hon. member the following question. Eloquent words are good, very eloquent words even better, but better still are not words but concrete actions and accomplishments.

• (1020)

Let me give the example of the wage inequity that exists at this time for women in the federal public service. It has been evaluated at 72 per cent. How can that be remedied when Treasury Board has undertaken to cut 45,000 positions?

How will the legislation be implemented so that, in the public service for example, there can be a move beyond mere words to concrete actions toward restoring the balance?

[*English*]

Ms. Clancy: Mr. Speaker, I thank the hon. member for his question. However, he may be confusing his apples with his oranges.

The member first talked about the fact that 72 per cent of the Public Service of Canada is female. That is true, but in talking about the public service—and I do this in spite of my great respect and affection for the President of the Treasury Board—we still have a way to go in ensuring that women reach higher echelons in the public service. They must be able to break through glass ceilings. The federal government has a responsibility to be an example to the private sector.

I believe that with the passage of Bill C–64 and the other projects and policies of the government we will see the federal government continuing its role as an example to the rest of the country. One of the ways it has to be an example to the rest of the country is to put its financial house in order.

I am not exactly sure where the hon. member's riding is in the province of Quebec but I can tell him that I represent the third largest public service town in Canada. The largest is of course Ottawa. The second largest is Montreal. Halifax is the third largest. I have shared with the hon. members for Dartmouth and Halifax West in excess of 30,000 employees of the federal government. With the greatest of respect to the hon. member, I do not need anyone to tell me about the problems and concerns of public servants.

With the downsizing which we all know has to be done the public servants in Halifax who are going are taking retirement packages and are finding that the federal government is dealing with them in a fair and open way. This project is moving along at an even faster rate than a number of people had thought. Thus far I have received little or no complaints from my constituents who, I can assure the hon. member, are extremely vociferous and quick to get in touch with me if there is something they are unhappy about or something they feel is not going their way.

If the hon. member is worried about public servants, perhaps he would like to come to Halifax. They would tell him that they are not quite so badly off as he might think.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I listened attentively to the dissertation by the member opposite representing Halifax, the bastion of public service in Canada.

I remind the member opposite that Canada is not a perfect place for the people she listed in her dissertation, all of the groups that were designated. It is not a perfect place for men either. The world is not a perfect place.

In my experience the drive to perfection is better achieved through education rather than legislation. We cannot legislate tolerance; we can educate tolerance. We cannot legislate wisdom; we can educate wisdom. There are some things the government just plain cannot do. I leave this aside and recognize that this legislation will pass.

Why, if this legislation is so good and so necessary for the public at large, are there two sets of rules? Why do we ask Canadians to do one thing while we do another? Why do we ask Canadians to do with less when we are prepared to accept our pensions the way they are? If this legislation is so good, why does it not extend to the House of Commons?

• (1025)

Ms. Clancy: Mr. Speaker, there were several questions and I will be delighted to deal with each one.

First and foremost, I have to disagree with my hon. friend from Edmonton Southwest, one of my favourite members of the third party. On the question of education for tolerance as opposed to legislation, the point is that we have to do both. I think my hon. friend from Edmonton knows that.

Sometimes we do have to legislate. That is why we have human rights acts with which I am sure my hon. friend would not disagree. That is why western democracies have frequently had to drag portions of their populations kicking and screaming into the latter part of the 20th century. Sadly but truly, part of that is in the area of human rights law in all its ramifications. If we have to do that, we have to do that.

On the question of pensions, I do not think we are debating pensions, but yes, I opted into the pension. I am proud to do so and I will continue to be proud to do so because, in the words of that Clairol commercial, I am worth it.

With regard to the question of why the employment equity legislation does not relate to the House of Commons, there is an option for the House of Commons. I too agree with the hon. member but with legislation, one of the things I have learned in my seven years here is that sometimes we must crawl before we walk. This is a great step forward from the old act. The improvements and amendments will keep on coming in all areas of policy while the Liberal government, our Prime Minister and the cabinet make the policy for Canada.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, as my colleague from Lévis has already said, we support Bill C–64, on which I believe we have worked very hard in committee. We heard a number of witnesses and tried in good faith to improve the bill.

It is worthwhile keeping in mind, I think, that the bill before us on employment equity goes back as a concept to 1983 and the Abella commission. The Abella commission provided us with a very clear understanding of the fact that, while individual discrimination still exists, often in the form of prejudice or negative attitudes toward certain social phenomena within our society, a more systemic discrimination still exists as well, related to the system and to certain practices, rules and usages which are still sanctioned and upon which it is not easy, as an individual, to make any impact to bring about change.

What Bill C–64 asks of us is to ensure that the composition of the labour market reflects the composition of the Canadian population. I do not see anything in such an objective that is unreasonable or beyond our grasp as a society.

When it comes to systemic discrimination, discrimination within the system, which is most certainly the hardest to get rid of, four categories of individuals have the most difficulty claiming their rightful place in the work force. First and foremost in the four groups listed in the bill are women, and we shall come back to this, since they make up more than half of the Canadian population and still lag considerably behind in the workforce, particularly where wage policies are concerned, as the member for Lévis mentioned.

• (1030)

The second group is visible minorities. They say we live in an increasingly cosmopolitan society. This implies there are more and more people who do not belong to the majority, who are not white, and these people also have specific problems such as getting promoted and getting a job with managerial responsibilities in the workplace.

And of course we have persons with disabilities. This has become a fact of life. Our society can expect to have an increasing number of people who are functionally challenged. There is certainly a connection with the increase in people's life expectancy, especially among women who seem to have a philosophy of life and a knack for taking care of themselves from which men would have a lot to learn.

The last group covered by this bill is aboriginal peoples. Aboriginal peoples represent approximately 4 per cent of the Canadian population but have managed to occupy only 1 per cent of the jobs available.

In federally–regulated companies with more than 100 employees and throughout the public service—more on that later—we are being asked to find ways to ensure better representation of these four groups in the labour market.

We asked ourselves two questions when considering this bill. First, whether other groups or individuals in our society suffered systemic discrimination.

It was pointed out that older workers may have been discriminated against, since it is not easy when you are laid off and lose your job, and you are 40, 50 or 55 years old, to find a job somewhere else. I think we can safely say there is some hidden discrimination against this group.

The question also arose whether in our society young people, the under thirties, also have that problem. We tried to get some statistics to have a better picture of the problems facing these people. We concluded on the basis of the information we had in committee that there was no specific indication that young people and older workers had suffered systemic discrimination during the past few years.

Under the employment equity bill, it is also possible to invoke the Canadian Charter of Rights and Freedoms. The charter is a mixture of the best and the worst. The best being, of course, the will to ensure that every citizen, irrespective of his income, origins, or profession, has certain rights. I would say the worst part is the provision which attempts rather awkwardly, without reflecting much concern for the interests of Quebec, to support multiculturalism. But that is another issue. In any case, section 15(2) of the charter allows for specific measures aimed at the same designated groups we find in Bill C–64.

Why do I mention this? Because very often there is an assumption that employment equity legislation, and this includes federal as well as provincial legislation, may not be compatible with the Canadian Charter of Rights and Freedoms. Upon closer scrutiny that is clearly not the case, and as I said before, section 15(2) of the charter allows for measures to deal specifically with designated groups.

The overall picture, before we get into the details, is the following. There seems to be a pretty standard profile of economic discrimination on the labour market against women, persons with disabilities, aboriginal peoples and visible minorities, and the situation is not improving. I would say there are four characteristics that are a constant in access to employment for the four designated groups.

• (1035)

Generally speaking, the unemployment rate is higher for women, aboriginal peoples, members of visible minorities and persons with disabilities. The level of unemployment of people in these groups is often higher than the national average, despite the fact that we have had employment equity legislation since 1986. This is the first characteristic of a general economic profile.

Also, generally speaking, we can say that these people are in poorer paying jobs, that is, again as compared with the national average.

When we look at the employment profile and the type of jobs these people hold, we realize that they often occupy lower level positions, not executive or management ones. For certain groups, and I am thinking particularly of women and aboriginal peoples—I was very surprised to learn—the lower level positions are often clerical jobs, junior positions. Here again, nothing has changed since 1986.

The final characteristic of this general profile is that the people in the four designated groups are employed in jobs with low growth potential. This means that, in the course of the changes the job market will undergo in the next few years, these are the jobs that will be threatened, because of their low level of specialization.

I think it important to keep this profile in mind, because, once we realize the situation, it is impossible to rise, like some of our Reform colleagues have done, and state that everyone is equal in the labour market. It is not true that everyone is equal, and it is not true that everyone has an equal opportunity to occupy the same jobs.

But that does not mean that progress has not been made. I think we would be misinformed as parliamentarians if we did not acknowledge what has been achieved since 1986.

I would like to outline for you the percentage of jobs held by each of the designated groups in relation to the jobs held by the population as a whole.

Let us take members of visible minorities, for example. We are told that, as of the last census, they represented 9.4 per cent of the population. In 1987, one year after the Employment Equity Act came into effect, they occupied 5 per cent of the jobs in the labour market. Between 1987 and 1993, with the legislation still in effect, progress was made, because members of visible minorities now represented 8.9 per cent of the labour force.

Obviously, 8.9 per cent is lower than the absolute proportion of the population they represent, which is 9.4 per cent.

Women, of whom the parliamentary secretary to the Minister of Citizenship and Immigration spoke so eloquently, represent 52 per cent of the population of Canada. As we know, this is a widespread phenomenon, there is no hiding it. Just think, in 1987, they occupied 40 per cent of the jobs available on the labour market in Canada. By 1993, things had improved and women held 45 per cent of available jobs.

Nevertheless, when we analyze the figures a bit,—and this is where we realize it—we see the need for employment equity legislation. I wonder, in the case of the pages, whether we have achieved a balance between men and women. I would guess from what I have seen that, in this session, the women outnumber the men. But we will get hold of the statistics on this.

The aboriginal peoples represent 4 per cent of the Canadian population. In this case, things are really dramatic. In the case of the aboriginal peoples and persons with disabilities, progress has been particularly pitiful and there is the greatest cause for concern for us as lawmakers.

The aboriginal peoples represent 4 per cent of the Canadian population. In 1987—hold on tight, Mr. Speaker, you are in for a shock—they held .66 per cent, that is, not even 1 per cent, of jobs on the labour market. In 1993, they occupied 1.4 per cent of the jobs.

• (1040)

This is a recovery. There is a pressing need to change course. Handicapped people, who represent 15 per cent of the Canadian population, held 1.59 per cent of jobs in the work place in 1987

and 2.56 per cent in 1993. Even today in 1995, we see discrimination, a gap, an imbalance between the relative size of some designated categories and their participation in the labour market. This is what Bill C–64 is designed to correct, and I do not understand how a member of Parliament, a representative of the people cannot subscribe to these principles.

One thing surprised me throughout our numerous committee hearings. Of course, I do not deny that there is a cost and some paperwork attached to employment equity, but I was pleasantly surprised to note that what employers came to tell us is that an employment equity strategy is now part of a sound staff management policy.

Removing employment barriers against certain people is in everyone's interest. In a context where businesses are asked to be good corporate citizens, to maintain close links with their communities, striking just the right balance between a business and its environment is in everyone's interest. This is a provision of Bill C–64 on employment equity.

The law is no longer perceived strictly as an anti–discrimination device as it was in its first few years. It is seen as an important component of sound management and enforcement of a human resources management policy.

When we stop to think about it, there is a cost attached to delaying employment equity. If it is true that handicapped people, people with functional limitations who can hold a job are denied this opportunity, if it is true that these people represent 15 per cent of the Canadian population and that 60 to 80 per cent of them are unemployed, we must realize that there is a cost attached to this because the productivity they could contribute to Canadian society is lost to us as a society.

Provisions like this one in the employment equity bill are to be commended.

What pleased committee members the most—and this was also one of the recommendations adopted by the previous committee in the previous Parliament during the five year review—is that the Employment Equity Act will now apply to the public service of Canada as a whole.

The act previously applied to perhaps 5 per cent of employees working for some 300 employers. This act will now apply to twice as many workers, since the entire public service of Canada, which employs close to 300,000 people, will now be subject to it.

Of course—and we agree with this—, provision has been made for some organizations that will now be subject to Treasury Board regulations because of certain strategic imperatives concerning them. These organizations include the Communications Security Establishment, the RCMP, the Canadian Forces and the Canadian Security Intelligence Service.

All committee members expressed the wish to be subject to the Employment Equity Act once the amendments have been made.

I heard on several occasions a fallacious, hypocritical, deceitful and dishonest argument from our Reform colleagues, who told us that employment equity meant hiring incompetent people.

• (1045)

That is the basic argument that was used throughout our deliberations by our colleagues from the Reform Party, who do not support Bill C–64. This argument does not stand up to analysis, however, because the legislator provides in the bill, more exactly in clause 56, that this is not employment equity.

It provides for three things. Employers to whom the legislation will apply, because they have 100 employees or more, are told that employment equity does not entail opening new jobs. We can appreciate that, in the current economic conditions, not all industrial sectors are experiencing growth.

In fact, you must admit that the government's financial plan is rather shabby, despicable and mediocre. One cannot ask that new jobs be created for the sake of implementing an employment equity policy. Employment equity does not mean creating new jobs, no more than it means setting quotas. There is no mention of this in the bill and I think it is ill–advised to say otherwise.

How will all this work in everyday life? What employers are asked to do is to prepare an annual employment equity plan and file it by June 30 with the human resources directorate. This plan must contain three things, more or less. It will have to set out how the workforce composition will be assessed. Having assessed the composition of the workforce within his business, where underrepresentation has been identified, the employer will be required to set out what measures he intends to take in order to remedy the situation both qualitatively and quantitatively.

That is a major change introduced by the bill. Not only is the employer required to assess quantitatively the composition of his workforce, but he can also provide qualitative information, which was not the case previously.

We are dissatisfied with certain aspects regarding the employment equity plan. Personally, I would have liked this plan to be prepared and implemented jointly by union and management, as a requirement. We have presented amendments to make this a joint responsibility, a mandatory and binding responsibility, because we do not think that employment equity is possible unless it is something that all parties want and agree to.

Unfortunately, this amendment was defeated and I think that the government made a major mistake there because there was a

consensus among the interested parties about this provision. In addition, we would have liked that a copy of the employment equity plan be distributed to each employee and the contents of the plan to be posted in common display areas, as provided for in the Canada Labour Code for instance, where the employer is required to post his policy regarding sexual harassment.

We believe that the bill would have been greatly improved as a result, had the government bowed to the opposition's arguments. Unfortunately, this has not been the case and we were told, quite wrongly I would say, that the employment equity plan would contain strategic information, information which, by virtue of its highly confidential nature, could put the businesses' competitive position at risk. To this, the unions and our party naturally replied: "But if all employers are subject to the same requirements and all of them have the same plan and are willing to make it available within the organization, it is hard to believe that some of them could be penalized, since this standardized policy would be implemented across the board".

To conclude, let me say that it is with great pleasure that we support a bill which, without being perfect, is a major step forward as far as employment equity is concerned.

• (1050)

[*English*]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I have worked with the hon. member for Hochelaga for the last couple of years and I know him to be a very earnest, honest, hard working and credible person. I know that when he speaks about this employment equity legislation he is speaking from the heart, that he really does think this will improve society in Canada and prevent discrimination.

I want to ask the hon. member what he thinks will happen as a direct result of this legislation when people who are just as qualified, not more or not less qualified, are denied a job or advancement because of the colour of their skin, because of their race, because of their gender. Does the hon. member feel this will contribute to hard feelings, contribute to discrimination and plant seeds of dissension that would not otherwise be in our society?

[*Translation*]

Mr. Ménard: Mr. Speaker, I want to thank the hon. member for his good words. I think exactly the same of him. It was a pleasure to work with him, because he seems to represent the progressive wing of his caucus. That wing is not as large as it should be, but that issue will not be solved at this level.

I want to give him an example. It goes without saying that if we agree with employment equity, we support the objective of making more room for designated groups. Let me give a concrete example which is related to my personal life.

I have a twin brother who suffers from cerebral palsy, and I am convinced that he wants to earn a living, just like I do. He is as intelligent, hard working and willing as I am. Had it not been for the fact that a number of organizations have specific policies urging employers to hire persons with disabilities, my brother would probably never have found work. We have to recognize that it is not a natural tendency for an employer to hire handicapped people. Nor is it a natural tendency to hire members of a visible minority group. Employers are still very reluctant to hire women who might give birth in the near future.

When my twin brother was hired, had he been chosen instead of an able-bodied person, that person might have resented the fact and that would have been understandable. However, we must go beyond such considerations, which means that, in a number of cases, preferential treatment should be given to the four designated groups mentioned in the legislation. I agree with that principle.

The minor distinction which I would make is that, in order to achieve genuine and real employment equity, it is necessary that when people apply for a job, their application be reviewed based on their ability to do that job. When my disabled brother was hired, he had the basic skills required to perform the duties involved.

The bill includes a very explicit provision which provides that an employer is not required to hire unqualified persons. It can be assumed that, given personnel management policies, employers conducting interviews to recruit staff will reject applicants who are not deemed qualified. However, when a number of people have equal skills, including persons with disabilities, then a collective effort should be made to help these persons get the job.

[*English*]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I ask the hon. member if this employment equity legislation will address an issue of discrimination by using discrimination itself.

• (1055)

Although the legislation as he interprets it may not be doing that, we do have a situation in which those who are not covered by employment equity legislation are being told not to even bother applying for some of these positions that are open because they happen to fall outside of the categories of this protection.

How fair is it to not even be considered for a job? I am referring to the RCMP as a prime example. I have had a number of young men complain because they have been turned away at the door from even applying because they do not fit into this little category. How fair is it to those individuals to be denied

even the opportunity of applying to see if they are equally capable of doing the job?

[*Translation*]

Mr. Ménard: Mr. Speaker, like my colleague, I will admit that some people are being frustrated. Let me say this to her.

It seems to me that it would be a great deal easier as parliamentarians to reach a consensus on the justification for an employment equity act if we were in a context of job creation. Surely, we must hope that there are enough jobs to go around. The misfortune at this time, the reason there has been the heavy backlash on employment equity, is that there are too few jobs available and that the jobs available are not accessible to everyone.

I agree with the hon. member on this. Where our opinions diverge is that over here in my seat for Hochelaga—Maisonneuve I feel that a full employment policy is not possible in a country that stretches across a whole continent, as Canada does. Those countries that have adopted successful employment policies—because trade is a worldwide affair, but unemployment is not, and I would be delighted if we could have the 5 or 6 per cent unemployment they have in Austria and other countries—are small countries with populations of seven, eight or ten million and countries with great cohesiveness. And Quebec possesses those characteristics.

The Speaker: It being 11 a.m., pursuant to Standing Order 30(5), we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

COMMUNITY ACADEMIC SERVICES PROGRAM

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I pay tribute to a program in my riding called the Community Academic Services Program, CASP. It is a community program dedicated to upgrading adults in English and math up to the grade nine level by setting up classrooms in community facilities such as church basements, Lion's clubs and schools. It is province-wide and has been very successful in helping people gain new skills.

CASP was recently awarded the UNESCO international award for literacy at the Beijing world conference on women. The importance of literacy cannot be overstated. It is an essential tool in increasing employment opportunities and improving the quality of life for people across the country.

I congratulate Maryanne Bourgeois and her staff from Literacy New Brunswick in particular for their hard work and dedication. As a member of the Fredericton Community Literacy Committee and as someone who has been involved with CASP from the beginning, I am encouraged to see the program is getting international recognition.

* * *

[*Translation*]

AIDS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, this National AIDS awareness week has given us members the opportunity to reflect on this significant problem for society, as between 42,000 and 45,000 Canadians and Quebecers are now infected with HIV.

It is our duty to step up our efforts to eradicate HIV transmission and to ensure that infected individuals receive the support they require. The battle against AIDS, however, also includes a battle against homophobia, and that is precisely the theme of the 1995 awareness campaign.

Putting an end to homophobia requires a positive atmosphere, an atmosphere of solidarity toward those who are seropositive, and a positive representation of homosexuality. My closing wish is that all members of this House will contribute to overcoming homophobia and thus to winning the battle against AIDS.

* * *

[*English*]

THANKSGIVING

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, on this Thanksgiving weekend Reformers would like to thank a few Liberal members who have really stood out in this session.

First, we would like to thank all of those unknown backbenchers for filibustering the government's own pre-referendum stay asleep "snooze bar" legislation.

Second, we would like to thank the Minister of Finance for his Walter Mitty, feel good, two-year revolving target approach to fiscal forecasting which if nothing else will make weather forecasters look good.

Third, we would like to thank the Deputy Prime Minister for helping us put together a working definition of the term racist. Thanks to her we now know that a racist is an individual who is winning an argument against a Liberal.

Finally, thanks go to the minister of HRD whose job creation initiatives have ensured that thousands of young Canadians will utter the words "do you want fries with that" upon graduation from university.

We would like to thank the Minister of Justice for his unwanted gun control bill, the treasury board minister for his expensive infrastructure program, and a special thanks to the Minister of Health for her great impersonation of the hon. member for Macleod.

ARCTIC WILDLIFE REFUGE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, the members of Vuntut Gwich'in first nation and various wildlife and environmental groups will soon begin a cross–country tour of the United States to gather support for the declaration of the Arctic national wildlife refuge as a United States national monument and for the protection of the area from exploitation.

The wildlife refuge is a primary calving ground of the Porcupine caribou herd which migrates across the Yukon–Alaska border. This herd is unique and constitutes an irreplaceable national treasure while providing subsistence for First Nations people.

The Prime Minister and the American president have said they support the protection of the herd. In recent statements the president has said he supports the establishment of a national monument. However the U.S. Congress wants to open the area to oil and gas development.

I urge the Prime Minister to intervene personally by lending his public support for the national monument declaration and by reaffirming Canada's commitment to protect the herd.

* * *

NATIONAL IMMUNIZATION MONTH

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, today I gave a flu shot to Bob Marks, director of the Canadian Lung Association. With that one shot Bob got protection for the whole winter. However Bob alone does not benefit from that shot; all of society does.

Over 2,000 Canadians a year die from pneumonia and influenza. The number of work days lost due to flu and the cost to business and the health care system are exorbitant. Yet only 33 per cent of at risk Canadians take advantage of this protection.

During October, National Immunization Month, we are changing that. We are asking Canadians to do themselves a favour by getting a flu shot.

Polio used to paralyse our children. Not any more. Diphtheria and whooping cough caused death among our young. Not any more. National immunization programs put an end to those days. Now we are on guard against influenza. In every province thousands of at risk seniors, the chronically ill, children and HIV positive patients can get free flu shots because it is good preventive medicine.

As a physician I ask every member of the House to recognize National Immunization Month by getting a flu shot. I will give it to them personally. Let us all say no to the flu.

The Speaker: I am all for that and I will be happy to meet with you right after question period.

S. O. 31

HIV–AIDS

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, today I wear this red ribbon in remembrance of those who have died of AIDS and for the approximately 16,000 Canadians who have been diagnosed with the HIV–AIDS virus.

The AIDS virus has most seriously affected the homosexual community. However the virus does not discriminate on the basis of gender or sexual orientation as many women and children have died of the virus in addition to the thousands of men.

While our views may vary one thing is very clear. Those who suffer from AIDS are human beings. They deserve our support and compassion.

I applaud Canadian researchers for their relentless search for a cure. While progress is being made every effort must be made through education and lifestyle change to stop the deadly transmission of the disease.

As we take time this week to support AIDS awareness and education programs, I encourage every member of the House to inform themselves about the disease so as to eradicate prejudice and homophobia and treat those suffering with AIDS with the dignity and compassion they so rightly deserve.

* * *

THE ENVIRONMENT

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, I commend the auditor general on his study on environmental management systems and its recent release. The co–operative effort of the many government departments involved in the project should be acknowledged. It is a good example of the wide range of initiatives in which all parts of the government are sharing information and best practices to green government operations in as rapid and cost effective a manner as possible.

The Government of Canada, through its greening government operations initiative, has established guidelines for all federal departments to follow in order to integrate environmental considerations in their operations.

• (1105)

The auditor general has provided us with a useful study. Implementing an environmental management system is a vital first step to improving environmental performance in key areas such as procurement, fleet and facilities management, and land use.

This is only one step the government is taking to meet its commitment to Canadians to make sustainable development a reality.

[*Translation*]

AEROSPACE INDUSTRY

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, according to the secret document prepared for Operation Unity by Industry Canada, in the event of Quebec sovereignty, because the aerospace industry worldwide maintains close relations with their respective governments, if the governments of Quebec and Canada can maintain co–operative relations in this sector, the aerospace industry will not be affected. The document also indicates that partnership is more the rule than the exception in this industry, throughout the world generally. It seems clear that, in the country's national interest, Canada will try to negotiate a partnership with Quebec in the aerospace sector.

The blackmail, intimidation and threat of reprisals have to stop. It is time Quebecers were told the truth, and the truth is that a partnership is not only possible but desirable for both Canada and Quebec. Canada will negotiate a partnership agreement with Quebec not out of charity for its former province, but because it is in the national interest to do so.

* * *

[*English*]

GOVERNMENT GRANTS

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, once again I stand in the House to tell Canadians about the wasteful practices of the Liberal government.

In particular I list some of the outrageous grants being handed out by the Minister of Health. A group known as Positive Straight Men received $10,000; the prisoners with HIV–AIDS support action network, $63,000; the Committee on Seniors and Sexuality, $117,000; and let us not forget that pauper of the financial industry, the Royal Bank of Canada that received $55,000.

The only thing that Canadians are asking is that their tax dollars be spent responsibly. This is a minute part of the $10 billion of grants and contributions in 1994–95, much of which has been poured down the proverbial drain.

* * *

WOMEN ENTREPRENEURS

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, on September 22, 1995, the office of The Women Entrepreneurs of Saskatchewan was officially opened in Saskatoon to serve businesswomen in rural and urban communities across the province.

Women entrepreneurs enjoy an enviable success rate in business. In spite of this they have historically faced obstacles which often prevented them from getting started in the first place such as banks demanding a husband's signature on a loan, high interest rates or excessive collateral. We must factor in as well fear of the unknown and isolation resulting from lack of business networks.

The women entrepreneurs office, funded by western economic diversification, will go a long way to breaking down the barriers by providing loans at market interest rates, advisory services, mentoring and seminars related to entrepreneurship and business skills.

Congratulations to Jeanne Martinson, Pamela Warden, Marie Jensen, Donna Dixson–Bernard and Ann Chatfield, the board of directors, for making this dream a reality. Finally, well done, Andrea Scott.

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[*Translation*]

FRANCO–ONTARIAN FLAG

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, I rise to invite my Liberal, Bloc and Reform colleagues and all the other members present today to join with me in congratulating Franco–Ontarians on the 20th anniversary of their flag.

On September 25, I had the honour of participating in a ceremony at the University of Sudbury, in my riding, to honour the Franco–Ontarian flag and to celebrate the contribution made by Franco–Ontarians to Canada and to our shared heritage.

Since September 25, 1975, the date of its birth, the Franco–Ontarian flag has become an important symbol of our accomplishments, our culture and our language. Today, Franco–Ontarians continue to grow and develop within a strong and united Canada.

Franco–Ontarians, all proud Canadians, first and foremost, owe a large debt to their predecessors, to those who created the flag and to the University of Sudbury.

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NATIONAL DEBT

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, the PQ premier once again raised the spectre that an independent Quebec might not assume its fair share of the Canadian debt.

In a speech delivered in Matane yesterday evening, the separatist leader said: "But if you do not want to sit down and negotiate, stay away from the table but don't expect to see any cheques".

Once again, the separatist leader used that threat to make people believe that he will be able to force Canada to negotiate a partnership agreement if Quebec separates.

• (1110)

Quebecers are reasonable and responsible people. They know that a partnership project based on threats and blackmail will not work, and this is another reason why they will vote no on October 30.

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CANADA–QUEBEC ECONOMIC UNION

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, the hon. member for Châteauguay was absolutely right when he said that Canada would negotiate a partnership agreement with Quebec. Indeed, even Industry Canada recognizes, in a secret document prepared for Operation Unity, that: "Should Quebec separate, and should there be a breakdown in the co–operation between federal research institutions based in Quebec and those located in the rest of Canada, the scientific and technological efforts of the two states would suffer a real prejudice".

If there is a partnership, there would be no such breakdown. Forget the gloomy speeches; it is obvious that the interests of Canada and Quebec call for a partnership treaty. This is particularly true for the space industry, as well as the science and technology sector.

* * *

[*English*]

THE ENVIRONMENT

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, the Minister of the Environment forgets that she is not the only minister of the environment in the country. There are 12 others and they make up the Canadian Council of Ministers of the Environment, a forum for co–operation and joint action.

The federal minister thinks that environmental policy revolves around her. In contrast, the CCME is committed to developing the environmental management framework agreement which would reduce duplication and overlap.

Is the minister in support? Not a chance. Now harmonization has been put on hold.

The environment minister has pushed the provinces around too much. She has also cancelled any provincial negotiations on financial support to Habitat Canada which the provinces said they would assume by increasing waterfowl hunting fees.

The minister does not care for a program that would save the government money; she is only scared of devolving her assumed power.

Are her feelings hurt? Co–operation is a two–way street. It is time the minister got off her pedestal and listened to what the provinces have to say. She may even learn something about political sustainable development.

[*Translation*]

QUEBEC ECONOMY

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, once again, Quebecers are not going to be represented at an important economic and trade meeting with Chinese officials because the PQ premier decided not to attend that event. Just like he did when Team Canada conducted its very important and successful Asian tour, the PQ leader prefers to stick to his separatist creed, rather than co–operate with our partners from the business world, to promote economic recovery and job creation.

Quebecers are primarily concerned with economic issues and job creation. Unfortunately, that does not seem to be a priority for the PQ premier. On October 30, Quebecers will say no to the separatist project, a project which does nothing to promote economic recovery and create jobs for them.

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REFERENDUM CAMPAIGN

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, yesterday, at a meeting with UQUAM students in management studies, the PQ finance and revenue minister said: "It seems that business people are not overly grateful when it is the Parti Quebecois which does something". Are we to understand from the minister's comments that he is trying to enlist business people in the Yes camp?

The PQ minister must stop using provincial subsidies and other benefits to force Quebec businesses to support the Yes side. Earlier this week, his colleague, the Bloc Quebecois leader, said that enlisting business people was undemocratic and unacceptable.

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[*English*]

LAND MINES

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, land mines and anti–personnel devices are a humanitarian disaster. There are over 100 million of them seeded in over 60 countries of the world. From Mozambique to Chechnya, from Cambodia to Angola they lie silently in wait for their next victim.

They cost between $30 and $70 to make and are made by such countries as the United States, Italy and even Canada. Most are designed to maim and not kill, and some are even designed to look like toys so that children will pick them up and get their arms blown off. This is a perverted logic if ever there was one.

The majority of the victims are innocent women and children.

• (1115)

In developing countries wracked by civil war, it costs between $300 and $700 to remove them. Last year we removed 85,000 but seeded two million at the same time.

I put a private members' bill forward on September 21 asking the House to ban land mines and anti–personnel devices. I hope for the sake of the most impoverished people in the world the House joins hands to do just that.

ORAL QUESTION PERIOD

[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in the past few days it has become increasingly clear that this government is trying to hide the devastating impact that a number of reforms planned by Ottawa will have, especially in the case of social programs.

The government keeps postponing the release of the details of these reforms until after the referendum. Furthermore, the last budget announced cuts totalling seven billion dollars in transfers to the provinces for the financing of social programs.

Will the Prime Minister acknowledge that cuts in payments to the provinces for social programs, irrespective of the criteria the federal government will use, will cause a major shortfall in funding for spending on health care, post–secondary education and social assistance in Quebec, a shortfall that, depending on the criteria applied, is estimated at between $1.9 and $2.5 billion over the next two years, and this is only in Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, contrary to what the hon. member for Roberval says, we are not hiding a thing. We announced our schedule for transfers to the provinces at the beginning of our mandate. We gave them three years. We told them from the outset: we will continue to increase a little bit next year, and that was 1994, and then in 1995 we will go on increasing, and the cuts will come in 1996 and 1997.

However, next year the subsidies we pay will still be higher than they were at the time we formed the government. The Minister of Finance explained to the provinces that he would give them time to adjust and that he would even continue to increase payments during the first two years. However, they were told to expect adjustments.

The provinces were aware of this and initiated their own cuts. For instance, last year in December, Quebec's health minister announced cuts totalling $500 million. We still gave slightly more than the previous year, but he made cuts. Obviously, everyone has to make adjustments. Provincial governments across Canada are making adjustments. The Government of Quebec has started to do so as well, and it will have to make more adjustments after the referendum.

We told all provincial governments ahead of time what to expect. I think this is all very fair and very open and shows a government that has absolutely nothing to hide before, during or even after the referendum.

Mr. Michel Gauthier (Roberval, BQ): In fact, Mr. Speaker, it is the future we want to talk about. The Prime Minister seems to appreciate talking about that.

We know that in the future, the federal government is planning cuts in unemployment insurance and old age pensions. We found that out last week here in the House, but the bad news will not come until after the referendum.

Would the Prime Minister agree that by attacking the most vulnerable members of our society with cuts in his own programs that are targeted to the needy, he is hitting them twice with cuts in payments to Quebec that will total between $1.9 and $2.5 billion in two years' time, which will force the Quebec government to add to the cuts made by the federal government? Does he not realize he is hitting the neediest in our society from both sides?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, first of all, the unemployment insurance program was explained in the budget, and we are preparing legislation that will be tabled very shortly.

Just this morning I received a call from a provincial premier who wanted to see me to discuss the legislation, and who begged me not to go ahead immediately because he had a number of representations to make.

• (1120)

I told him: "Fine. As soon as I have time, we will have a meeting, and we will table the bill as soon as possible, because we want people to have time to discuss it".

The hon. member referred to senior citizens. I made it clear here in the House that we have no intention of affecting senior citizens. I made that quite clear. But I also said that we will have to make sure we can still pay the old age pensions of the people who will retire in 2005 and 2010. Good government means planning for the future. And people who are retired now do not have to worry.

We want to be able to pay old age pensions in 2005, 2010 and 2015 because many of us will still be here, although there may not be that many on the other side, and we have to consider the future. As far as pensioners are concerned, they do not have to worry, I made that clear, and old age pensioners will not be affected, not in November and not in the finance minister's next budget.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, will the Prime Minister admit that at the rate the federal government says it will cut transfers to the provinces, in other words, money used by the provinces for social programs and education, at the rate the federal government plans to cut these expenditures, according to our most accurate estimates—although the criteria have not yet been released, but we tried a series of criteria that seemed likely—we can say that in four years time, if Quebecers say no in the referendum and decide to stay in the federal system, in four years time the federal government will no longer pay a cent in transfer payments for social programs, education and social assistance, and on top of that, under the tax points system, Quebecers would again have to send part of the province's tax revenues to Ottawa to help fund social programs in the other provinces?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, under the present system, there is a decline in the amounts to be spent on transfers to the provinces.

That being said, one of the reasons we decided to proceed with these reforms, and this was explained by the Prime Minister and the Minister of Health, and I said it myself here in this House, was to reverse this trend while maintaining a certain level of money in these transfers. In other words, we intend to freeze these amounts to stop this decline, for reasons we discussed with the provinces, in other words, the federal government firmly intends to remain involved in improving social programs in Canada.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the documents attached to the last federal budget mention that transfers to the provinces will be cut by $2.5 billion in 1996–97 and $4.5 billion in 1997–98. In 1997–98, if the federal government distributes the Canada social transfer on the basis of population, as suggested on page 40 of the federal budget speech, Quebec alone will absorb over 40 per cent of the $4.5 billion in cuts.

Does the Prime Minister not agree that, on the eve of the referendum, he has a duty to stop hiding his intentions from Quebecers by disclosing publicly how the federal government intends to distribute among the provinces the $4.5 billion in cuts planned for 1997–98, so that Quebecers will know the real impact of federal policies?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the Minister of Human Resources Development and I intend to sit down with provincial officials to determine how the country and the provinces can restructure their finances.

That said, the hon. member has just quoted figures that have been used by other separatists. As I said before in this House, they are basing their arguments on something that is quite preposterous.

• (1125)

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, this is a revelation. I did not know that the Minister of Finance was a separatist, as these are his figures.

Does the Prime Minister confirm that, whatever the distribution criteria adopted, in 1997–98 alone, Quebec will be deprived of between $1.2 billion and $1.9 billion for the funding of its social programs? The PQ government was not the only one to predict these cuts. His friends in the Liberal Party in Quebec, including his colleague, the current Minister of Labour, said the same thing when they were in power.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as I said before, the hon. member's analysis is quite preposterous. It is quite clear that no decision has been made on distribution. Second, I think that the hon. member should also consider equalization, which is a very important factor.

The hon. member seems unwilling to talk about it, but let me tell you that, in 1996–97 for example, equalization payments to Quebec will amount to $4 billion or 42 per cent of federal equalization payments to the provinces.

* * *

[*English*]

DEPARTMENT OF NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question is for the Minister of National Defence. The government's record on Somalia is not terribly open, but openly terrible.

This week we have seen evidence that national defence headquarters altered documents. The punishment, it gets to investigate itself. We have evidence that Lieutenant-Colonel Kenward destroyed evidence and obstructed justice. The punishment, he got promoted. We have evidence that Colonel Labbé uttered unlawful commands. His punishment, he has been put in charge of the army staff college to teach leadership.

The minister must have had files on these events. Why did he wait so long before he acted?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member had a distinguished career in the Canadian forces before he entered politics. I am quite surprised and disappointed that he would ask that sort of a question. He talks about openness. The government has no axe to grind. We want the commission into the deployment of the Canadian forces in Somalia to get to the bottom of whatever happened. He

talks about being terribly open. If he wants to know what I mean by terribly open I can tell him. It means transparent, unfettered and above board.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the government has gone kicking and screaming into the Somalia commission. We in the Reform Party are the ones who demanded a commission of inquiry.

The Somalia commission, which the minister called only after pressure from this party, is headed by top–notch people and will come to its conclusions in due course. There is a complete abdication of leadership within the Department of National Defence. The Prime Minister's expression of confidence in the minister and the chief of defence staff cannot change that fact.

Officers are named in police reports. They are implicated in criminal activities, falsifying documents and offering incentives to subordinates to commit murder. Does the minister consider these to be examples of good leadership?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am surprised, disappointed and somewhat disillusioned not only by the tenor of the question but by some of the implications of the question.

The members of the third party talk about calling for this inquiry. I happen to have personal knowledge and I will inform the House of it. Other members will remember when we were in opposition—I want the hon. member to check the records—I asked for this inquiry in April 1993.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it took two years for the government to act. Originally it wanted an internal investigation. It was only under our pressure that the government opened up the investigation.

The Prime Minister said that these troubles occurred under the previous government. Yet after two years nothing has been done to fix the problems. If the minister knew previously of the evidence that has been revealed this week, he has complicity in covering it up. If he did not know, he is guilty of contempt in the highest order. The minister's management of national defence over the—

• (1130)

The Speaker: In our questions we are making giant leaps. I would ask the hon. member to please put his question.

Mr. Hart: My question: The minister's management of national defence over the past two years has only compounded—

An hon. member: Order.

The Speaker: Please, my colleague, the question now.

Mr. Hart: Will the minister resign?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have a little problem today. From watching the hon. member I realize not many of them will be re–elected when they act like that.

The member talks like that about the Canadian Armed Forces which have been an honour to all Canadians. Those Canadians have been doing a great job in Yugoslavia for the past three and one–half years, yet a former member of the armed forces is using those kinds of words about his colleagues who were with him in the army, who have always been a great part of the Canadian strength. We have the best soldiers in the world.

Not long ago I was talking with the President of Croatia and the President and Prime Minister of Bosnia. They told me the best soldiers in the former Yugoslavia were the Canadian soldiers.

When I see a former soldier acting like the hon. member, I know those members will not be back in great numbers after the next election.

Some hon. members: Hear, hear.

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[*Translation*]

TRANSFER PAYMENTS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Finance.

The federal government reallocates to the Quebec government, in the form of transfer payments, a portion of the taxes collected from Quebecers. As a result of the numerous cuts made by the federal government, the amounts handed back to Quebec are constantly being reduced, and transfer payments have become an unstable and inadequate source of funds for Quebec.

Does the Minister of Finance confirm that, since 1980, the proportion of Quebec's revenues coming from federal transfer payments, including equalization, has dropped by 28 per cent and that the situation will get progressively worse as a result of the last federal budget given that, by 1997–98, transfer payments from Ottawa will account for only 12.7 per cent of Quebec's revenues?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, again—and this is unfortunate—separatists do not have a firm grasp of figures.

At present, while receiving approximately $29 billion from Quebec, we give that province approximately $41 billion, which means a net gain of $11 billion for Quebec. What we must ask ourselves is this: Should Quebec ever achieve independence, what will the separatist movement do to bridge that gap?

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): It is a pity, Mr. Speaker, that I will have to put my question in writing because I was unable to get an answer.

Since it is becoming increasingly obvious that, within four years, Quebec will no longer receive any money from Ottawa for social program funding—I repeat, social program funding—how can the minister justify his plans to set up new structures and implement new manpower training initiatives that will increase duplication, when these structures and initiatives are to be funded from surpluses in the UI fund, to which Ottawa will no longer contribute as much as a penny?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Again, Mr. Speaker, I can only repeat the same thing. The government, the Prime Minister, the Minister of Health and myself have all stated in this House that one of the goals of the current reform is to reverse the trend, stop our reserves from shrinking and maintain a level that will allow us to set the amount to be transferred to the provinces, including Quebec.

* * *

• (1135)

[*English*]

CANADA PENSION PLAN

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my question is for the Minister of Human Resources Development on behalf of all Canadians.

A new poll shows that only 19 per cent of Canadians under age 50 expect to get anything out of the Canada pension plan when they retire. Their confidence in the plan has gone down since the Liberals replaced the Tories in 1993.

Does the government have any plans at all to correct the Canada pension plan problem? What will it do to assure Canadian workers and employers that the money they are contributing to this plan is not just going down the tubes?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is a curious question about money in the Canada pension plan going down the tube. The money goes to provide for retirement security for senior citizens. It goes to provide for a basic income benefit for disabled Canadians. It goes to provide a basic benefit for widows and their children.

The Reform Party's proposals as it puts them forward would mean a substantial reduction for disabled Canadians, a substantial reduction for widows, and a substantial reduction for 1.8 million pensioners. How can the hon. member stand up and tell us to do something to protect the system when his own party is proposing a way of slashing the program?

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the difference between the Liberals and the Reformers is that we would have a plan that would be actuarially sound. This one has never been sound. The Liberals were informed of that when they first brought in this plan. They fired the adviser who gave them that advice 30 years ago.

I ask again: What will the government do specifically to make the Canada pension plan actuarially and mathematically sound and sustainable? That is what Canadians demand.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member well knows, we announced in the last budget that we would be presenting a paper containing a series of proposals as to how we can deal with the sustainability of the Canada pension plan. The Minister of Finance will be meeting with his counterparts later this year to talk about this. As the hon. member should know, this is not just a federal government plan but one we share with the provinces. It is a joint plan and therefore we have to make those kinds of arrangements.

Let me give the member one very quick example of the kind of measures we are taking. On July 1, I announced a series of changes to the Canada pension plan that will allow those with disabilities to go back to work so that they can have a bigger incentive to be employed and not simply draw the benefit. It once again goes to the very heart and soul of what we are trying to do in our reform which is to provide for economic security by giving people a good chance at a job.

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[*Translation*]

YOUTH UNEMPLOYMENT

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. Despite a slight dip in unemployment after ten months of zero net employment growth in Canada, we find that the unemployment rate among those under the age of 25 has again increased. Even those who manage to find work are often in an extremely precarious positions. In fact, this is the lowest level of youth activity in the labour market in 20 years.

What concrete actions does the government plan to take to help young people, since the youth unemployment rate has again risen in September, from 15.7 per cent to 16.4 per cent?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I am very pleased the hon. member raised that question. It does give me the opportunity to tell members of the House in case they have not heard that this morning the unemployment rate fell to 9.2 per cent which is the

lowest rate since 1990. The hon. member will be particularly interested to know that in the last two months in the province of Quebec 16,000 new jobs have been created which is the highest job growth in any region of Canada.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the minister is not answering my questions. I was asking about youth employment. Does the minister acknowledge that the youth employment situation has deteriorated since the Liberals came to office, with 27,000 fewer jobs for young people since November 1993. Is he prepared to acknowledge this?

• (1140)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member's figures are not correct. The unemployment rate has gone down for young people but not sufficiently so. Looking at the figures, one of the reasons is that still far too many young people are dropping out of school far too early and therefore do not have the required skills to get a job.

That is the reason the government introduced the youth internship program. It is a partnership with the private sector to create opportunities enabling young people to move from school to work with a full transition in a partnership way. This year over 24,000 young people will be enrolled in that program.

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IMMIGRATION

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the average Canadian cannot afford to travel in expensive limousines and yet the Department of Citizenship and Immigration gave over $20,000 to a Toronto limousine service to ferry immigrants around town.

My question for the Minister of Citizenship and Immigration is why?

Ms. Mary Clancy (Parliamentary Secretary to Minister of and Immigration, Lib.): Mr. Speaker, the Department of Citizenship and Immigration promotes open government and release of information to the greatest extent possible. I am certain the information the member has come up with probably came to him through this or other measures.

We are glad to promote open government and I am happy he has this information. I will pass it on to the minister to give the member a fuller answer at a later time.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I thought my question was why we are ferrying immigrants around town in limousines, not about open government.

To continue in the same vein, the Department of Citizenship and Immigration spent $200,000 at Big Bill's Furniture and Mattress Warehouse in Kitchener. It gave $152,000 to Zellers to buy furniture for some immigrants. Again I ask the parliamentary secretary why?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I again compliment the hon. member on his question.

With regard to taxi services which he clearly wants to call limousines, a car is a car. On the other hand if he wants to look at settlement services and what we do for immigrants coming to Canada, it is a program of which we are very proud. It is a program we are determined to preserve because on this side of the House we believe in the importance of immigrants in that they help build this country.

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[*Translation*]

CANADIAN NATIONAL RAILWAYS

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, my question is for the Minister of Transport. While the federal government has cut CN's debt by $900 million in order to make it more attractive to investors, CN has signed a $300 million contract with GM to purchase new Ontario-built locomotives.

How can the minister justify the decision to renew CN's locomotive fleet at the taxpayers' expense, when this ought to have been left for the new shareholders to pay for after privatization?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member is no doubt aware that locomotives are not kept on a lot somewhere like cars are at a Ford or GM dealership. Let me assure the hon. member that the locomotives in question will be delivered to CN long after privatization.

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, I take it that the minister prefers this huge order from Ontario to be made by a crown corporation. How can the minister allow CN to add $300 million to its debt load by purchasing new locomotives at our expense when he has just injected close to one billion dollars of Canadians' tax money to reduce that same debt and to make CN more attractive to investors?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is obvious that the hon. member does not understand.

The restructuring of the debt for Canadian National has to do with the IPO that will be made available to the investment community in November of this year.

• (1145)

As to the order for locomotives for CN's operations in the years to come, those locomotives have not been built yet. They have not been paid for yet. They will not be delivered nor will they become a liability for CN until a number of years down the road.

As to how CN is to run its operations, obviously it needs new rolling stock. Locomotives built in London, Ontario are sold not only to CN but to CP and all around the world. Only last week we had representatives in from the Congo looking to purchase locomotives from the GM shops in London because they are the best in the world.

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[*Translation*]

EMPLOYMENT

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development.

Many Canadians are worried about the economy stagnating in recent months. We have even heard some members of the official opposition talking about no net job creation since January.

Would the minister once again set the record straight on Canada's employment situation?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we all know that the job market is going through some very major changes. That is one reason it is so important we modernize our structures to enable Canadians to make the adjustments, to get new employment tools to respond and particularly to provide new choices.

Within those very positive figures we had this morning of the unemployment rate coming down, 70,000 of the jobs created were manufacturing jobs. They are well paying, full time jobs.

This shows that the fear of the jobless recovery is not quite accurate. The reality of the Canadian economy, through the kind of stimulus that has been provided by the Minister of Finance in his budgets and in other areas, is that manufacturing and exports are leading job recovery in this country. That is why we have to continue to provide that enormous support and confidence. That is the most important key to creating jobs.

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DEPARTMENT OF NATIONAL DEFENCE

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, earlier in question period I think that most Canadians would have been appalled to see the Prime Minister defending some of the things going on at DND by wrapping himself in the name of the peacekeepers and the job they are doing, putting their lives in danger, trying to defend the country.

Does the Prime Minister really think that when we read about the stonewalling of police investigations, about the cover–up of criminal activity, and about the falsifying of documents this in any way does any service to the men on the ground who are defending Canada and trying to keep peace in foreign countries?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have said to the House many times that we initiated the public inquiry into the matter. Now I see the Reform Party is taking credit for that.

I was in opposition when the parliamentary secretary was on his feet asking for an inquiry. We are having a public inquiry and all the documents are available.

Of course there are problems in the army. In any department there are problems. We are working to solve them. We will accept the recommendations if they are valid and we will change what has to be changed.

To try to create the impression that we have a terrible army in Canada when it is lauded by everybody around the world I think is going the wrong way.

The young member has a lot of personal ambition. He should tell his colleagues to slow down, because there will not be much of a Reform Party very soon.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, all Canadians know it is not the army that is terrible, it is the Minister of National Defence's running of that portfolio.

We have been pursuing this inquiry. The opposition Liberals, as he knows, called for this two years ago. We had to call for it for nearly two years before we got it.

The Minister of National Defence has been sitting on this material, which has been under his nose for two years. Was there complicity in this? Did he know this was happening, or was he simply incompetent and did not provide this material in the first two years of this administration?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of National Defence got up many times in the House and explained that under the laws of this land when there were cases in front of the military courts we could not proceed with an inquiry because it could have invalidated trials that were going on. It is the way we operate. There were some charges against some military people and we could not have a public inquiry on the same element of proof because it would have been used by the different lawyers or the prosecution to destroy the case.

• (1150)

We have to respect the law of the land. After the judgments were rendered we had a public inquiry. We could not have both together. With time, when he gains experience, he will know the law of the land a bit better and perhaps one day he will be ready to take over what will be left, if anything, of the Reform Party.

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[*Translation*]

RESEARCH AND DEVELOPMENT

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Prime Minister. In Quebec, there are 25 federal research facilities employing 3,000 workers, which represents 13.4 per cent of the jobs in federal facilities of this type in Canada, whereas, in Ontario, the Chalk River nuclear research centre alone employs 2,227 people. Overall, federal centres employ 11,000 researchers and technicians in Ontario.

Will the Prime Minister acknowledge that the federal government has consistently penalized Quebec in the area of research and development, undermining its scientific and economic development? Would he also explain why, under such conditions, he is cutting funding for research in the DIPP program, which is crucial to the aerospace industry located primarily in Quebec.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, as regards the DIPP, the hon. member should be aware that, in recent years, nearly 50 per cent of funding has gone to Quebec, to business in Quebec.

We have to be realistic when we talk about the DIPP, because we have long known the size of the defence industry in Quebec. When the transition was made with the DIPP funds, almost 50 per cent of these funds were, in fact, paid to businesses in Quebec.

As far as research and development is concerned, we acknowledge that the proportion spent in Quebec is approximately 25 per cent, which is still very close to the proportion of the population.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, in Quebec we receive only 17 per cent of funds intended for research and development. According to the Minister of Finance, the figure is 13 per cent.

How does the Prime Minister justify this imbalance between Quebec and Ontario in the distribution of federal research facilities, whereas Hull, Gatineau and Aylmer are within the National Capital Region and could have received a greater proportion of these facilities?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, as the Minister of Intergovernmental Affairs has repeatedly explained, there are a whole lot of people in the greater metropolitan area of Ottawa–Hull working at research and development centres. Let us leave this aside.

The hon. member should note that, even though the Bloc Quebecois and the Government of Quebec claim 17 per cent of federal funding for research and development goes to Quebec, we contend and are prepared to show proof that approximately 25 per cent of the Government of Canada's funding for research and development goes to Quebec.

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[*English*]

CANADIAN WHEAT BOARD

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, in November the Alberta government will ask grain farmers whether they are in favour of having the freedom to sell their wheat and barley to any buyer, including the Canadian Wheat Board, into domestic and export markets, yes or no?

In response, the federal minister of agriculture states the Alberta plebiscite will not be the last word on this issue. When will the minister of agriculture give farmers the last word on this issue and have a plebiscite across the whole Canadian Wheat Board area to settle this issue?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, the minister of agriculture has made it very clear for a number of months that farmers will be involved in the future of the Canadian Wheat Board in Canada.

To emphasize that, he has recently put in place a very expert panel to go right across western Canada to talk to farmers, chat with farmers, and consult with farmers in all of the industry about their views on the future of the Canadian Wheat Board.

We will continue to deal with everyone and consult with everyone in the industry in order to talk about and deal with the future of that great wheat board.

• (1155)

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, panels, studies, commissions and reports, and it has been two years and nothing has been done.

Alberta farmers are being asked for their opinion on the issue because the Alberta government believes that farmers have the right to make this decision. Who will have the last word on whether farmers should have the freedom to sell their wheat and barley into all markets? Will it be the farmers or will it be this father knows best minister of agriculture?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, I remind the hon. member that farmers will be consulted. I also remind the hon. member of the disappointment of all of us when the third party in Parliament recommends to farmers to break Canadian law and supports them in this.

We will follow the tradition of our party and consult. However, with regard to the wheat board, the Reform Party thinks it knows best and is requesting and supporting farmers to go against the rules and laws of the land with reference to the wheat board.

* * *

MINING

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, my question is for the Minister of Natural Resources.

Although I recognize that there has been a substantial increase in exploration expenditures in the mining industry in the last few years, there are still some serious impediments to investment. What does the government intend to do to help Canada's investment climate in mining?

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, I thank the member for his question. First, it gives me an opportunity to express our condolences to the families and friends of those nine people who lost their lives in the helicopter crash in Kyrgyzstan. Our thoughts and prayers are with them at this very difficult time.

Second, it gives me an opportunity to give some good news to the House. We are having excellent results as far as mining is concerned in Canada, with exploration expenditure up 32 per cent in 1994 and it looks like it will go to $675 million this year. Twenty mines are opening and only two closing permanently, and there are 2,000 to 3,000 new employees in the mining industry.

This is all due to the excellent financial position the Minister of Finance has set out for the country, the Whitehorse mining initiative, and the efforts of the government to build a more innovative society and remove the overlap and duplication in our regulatory regimes. Science and technology is leading the way in this industry.

* * *

[*Translation*]

NUCLEAR INDUSTRY

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, since the inception of the Canadian nuclear program, the federal government has spent over $12 billion on nuclear research and development, mostly in favour of the Ontario nuclear industry, of course. Through its subsidies worth $175 million a year, the federal government has created an industry that now employs, directly or indirectly, 60,000 people in Ontario.

My question is for the Prime Minister. How does the Prime Minister explain the fact that the federal government has provided such large subsidies for electricity generation in Ontario, when Quebec has never received anything from the federal government to generate its own electricity?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the development of a nuclear industry in Ontario came about because that province had fewer hydroelectric resources than Quebec. Canada's development is based on potential, resources and population. I am sure that some provinces did not receive anything for nuclear energy development because they do not have the necessary resources.

Quebec received federal assistance. Hydro–Quebec has nuclear facilities in Gentilly. Quebec got its share, but the fact is that it did not need as much nuclear energy as Ontario. That is the way it is in Canada. This is a diversified country. Although we are trying to distribute everything among the various parts of Canada, some things cannot be distributed solely on the basis of population, as I was saying the other day. We are not about to start digging rivers in Saskatchewan so we can give that province its share of the national ports budget.

* * *

[*English*]

BLOOD SUPPLY

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, my question is for the Minister of Health on behalf of all Canadians.

The Krever commission is investigating the state of our national blood supply. Recent reports have revealed deep organizational breakdowns within the system.

Canadians want action now. Their health continues to be threatened by leaks in the blood supply system. Last week here in Ottawa about 1,800 units had to be recalled because of a breakdown in that system after it was learned that some units had not been tested for hepatitis B.

• (1200)

Now Canadians are outraged to hear through the Krever inquiry that a U.S. drug company was allowed to distribute AIDS tainted blood products in Canada that affected six British Columbians including five children.

Could the minister tell the House and Canadians what plans if any she has to reform the system and implement the commission's recommendations in order to restore confidence in our national blood supply system?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the hon. member will know that we have not waited for the Krever commission to begin to do some work within the blood supply system. We are nevertheless funding the Krever inquiry.

Since I have been Minister of Health we have doubled our resources in the Bureau of Biologics. We have increased the

inspections of blood collection centres; we now inspect them once a year. We have made it possible for the results of these inspections to be made public. We have set up an advisory committee on blood issues so we can keep ourselves informed.

We continue to do everything possible to monitor all new technologies that are emerging in order that we can have them in Canada and that we can have the best and the safest blood supply system in the world.

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PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of hon. members to the presence in the gallery of His Excellency Victor Chernomyrdin, Prime Minister of the Russian Federation.

Some hon. members: Hear, hear.

The Speaker: I also wish to draw to your attention the presence in the gallery of a delegation from the People's Republic of China led by Liu Fusheng, Chairman of the standing committee of the People's Congress of Hunan Province.

Some hon. members: Hear, hear.

* * *

POINT OF ORDER

AGRICULTURE

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, the parliamentary secretary to the minister of agriculture in his response to my question earlier stated that Reform MPs were counselling farmers to break the law regarding some of the oppressive actions of the Canadian Wheat Board. That is totally untrue.

Reform MPs have never counselled farmers to break the law and I think it is important I set the record straight on that.

The Speaker: May I once again caution members on the use of language which seems to be getting more and more aggressive as we go along.

It is true that in the House of Commons we are used to strong language, but at times we get carried away with ourselves, one side saying one thing about the other and the other side retaliating by saying that someone else breaks the law.

We are entitled here to free speech, of course, but sometimes when it comes close to transgressing our parliamentary rules I will intervene. I would once again ask all hon. members to be very prudent in the language they use as it is offensive not only to individuals but it could be offensive to the House.

ROUTINE PROCEEDINGS

• (1205)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

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LOWER CHURCHILL DEVELOPMENT CORPORATION

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, pursuant to Standing Order 32(2) I am pleased to table, in both official languages, the 1994 annual report of the Lower Churchill Development Corporation.

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COMMITTEES OF THE HOUSE

FINANCE

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 19th report of the Standing Committee on Finance concerning Bill C–90, the Excise Tax Act and Excise Act.

[*Translation*]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to table the 89th report of the Standing Committee on Procedure and House Affairs, which deals with the list of associate committee members.

With leave of the House, I intend to move for concurrence in this 89th report later this day.

* * *

[*English*]

LAW COMMISSION OF CANADA ACT

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved for leave to introduce Bill C–106, an act respecting the Law Commission of Canada.

(Motions deemed adopted, bill read the first time and printed.)

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I move that the 89th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

PETITIONS

BOVINE GROWTH HORMONE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my privilege to present three petitions.

In the first petition the petitioners are asking that Parliament take steps to keep BGH out of Canada by legislating a moratorium or stoppage on BGH use and sale until the year 2000 and by examining the outstanding health and economic questions through an independent and transparent review.

VIOLENT OFFENDERS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, in the second petition the petitioners pray and request that Parliament rescind mandatory release legislation where violent offenders are involved; that Parliament ensure all information on violent offenders, including prior offences and refusal to enroll in treatment programs, is provided to those making decisions on release or parole; and that Parliament ensure all violent offenders will be separated from society until it can be proven that they will not reoffend.

CRIMINAL CODE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, in the third petition the petitioners are requesting that Parliament not repeal or amend section 241 of the Criminal Code in any way and upholds the Supreme Court of Canada decision on September 30, 1993 to disallow assisted suicide or euthanasia.

HUMAN RIGHTS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, pursuant to Standing Order 36 I present a petition which calls on Parliament to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation.

I am pleased to present the petition on behalf of these constituents.

• (1210)

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

The House resumed consideration of the motion that Bill C–64, an act respecting employment equity, be read the third time and passed.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, in my comments today on Bill C–64 I want to focus on one important point. This employment equity legislation is a Canadian answer to a Canadian reality.

[*Translation*]

That Canadian reality is that persons in designated groups are not doing as well as they should in our labour force, given their qualifications.

That Canadian reality is that many instances of systemic discrimination can still be found.

[*English*]

I refer to a study released only last week by Simon Fraser University which states very clearly that male immigrants who are members of a visible minority earn 15 per cent less than white males born in Canada with the same education, in the same industry and in the same city.

We have heard a lot of debate on Bill C–64 that seems to deny that there is a problem, that action is necessary and that leadership by the Government of Canada is necessary. While it is a lot less nasty, to quote the same study, white immigrants still earn 2 per cent less than native born Canadians.

The figures become quite substantial. Let me quote: "Mean earnings of immigrant male members of visible minorities were down 22.6 per cent from those of Canadian born white males".

We could talk about each of the designated groups and make it clear that in the private and public sectors being well qualified is not enough if a person happens to be a member of a visible

minority, a woman, an aboriginal or a person with a disability. Those things work against them. They seem to cloud perception of their ability to do the job and to take on more senior responsibilities. It happens throughout every sector of the economy.

Let me come back to the Canadian reality. The Canadian reality is that our citizens want and deserve a country that breaks down these barriers to success. Two years ago that is what our country offered to Canadians and ever since we have been living up to our commitment.

Let me go back to the red book. It offered a vision of Canada with the economic strength it deserves and the social strength that draws us together as a community. At the beginning of the red book, the man whom Canadians chose as their Prime Minister and whom they continue to support wrote:

> The result is a Liberal plan for Canada firmly anchored in the principle that governing is about people, and that government must be judged by its effectiveness in promoting human dignity, justice, fairness, and opportunity. This is our approach, and this election is about presenting that choice to Canadians.

Our platform was based on jobs and growth that would enrich everyone. We understood that people have expectations for their society, not just for their own wallets. That was why one of our commitments was a stronger employment equity act. We were determined that the federal government should do what it could to ensure that Canadians have a fair opportunity to get ahead in life. It draws on the willingness of employers to take a hard look at old practices and to move to a workplace that welcomes the talents of all our citizens.

• (1215)

Quite simply, this bill is about identifying and knocking over barriers that keep some people on the outside looking in or on the bottom looking up. It rests in the best tradition of opening the doors to full participation in Canadian society for all our citizens with all their diversity.

That puts the members of the Reform Party in a bit of a bind as they debate Bill C–64.

[*Translation*]

They know that incompetent members of designated groups will not take over the workplace. They know that no arbitrary quotas will be imposed. They know that this bill takes into account the concerns voiced by small business. And they know that the bill is fair and reasonable.

[*English*]

They are reduced to appealing to the worst in people instead of to the best. They are reduced to philosophical musings that are irrelevant to the case before the House and worst case, individual stories pulled from the murky depths of the American right wing. They cannot even get the name of this process right in their efforts to score political points. They seem to believe that if they use the term affirmative action they can polarize the debate.

One of the most destructive things that can be done in a society or in a Parliament is to polarize the debate, to pit one group against another, rather than to build ties and mutual respect among us.

If they want to talk about the American system, let us look at the record there and then let us compare it to what the government wants to do in this bill so that Canadians, despite the Reform Party members, will know the difference between the American system and ours.

Some 30 years ago the United States began to come to grips with the impact of centuries of racial discrimination. By 1970 Richard Nixon brought in the first affirmative action policies for the U.S. government. Let me remind my hon. friends that Richard Nixon would never be called a bleeding heart, but he did what he knew was right at the time and what his society needed. Other governments, public and private institutions took similar steps.

[*Translation*]

As the *New York Times* noted recently, this process has yielded results. "In the past 20 years, it said, a substantial number of black families have been able to climb the social and professional ladder. While positive action is not the only reason for this, it certainly played a major role".

[*English*]

Has the American process been perfect? Has it been what we want to model ourselves on? Absolutely not. In some cases arbitrary approaches were imposed. There were decisions that struck those of us at a distance as odd and unfair. In response that American system too has evolved but they too know there is still much to do.

Ask anyone who watched the public reaction to the Simpson trial and to the ultimate verdict. Race is still an issue in American life. The right wing there and their junior auxiliary in the Reform Party here cannot wish it away.

I believe that Canada begins from a better starting point than the United States. We do not have a clean history when it comes to racism and discrimination but we do not have the same burden of history that the Americans do.

Nonetheless there are barriers still to the full participation of members of designated groups in the economy and therefore to their full participation in society. Creating opportunity through ensuring fairness is the point of Bill C–64. We have chosen a Canadian approach. We have been guided by what works.

I had to go back to the dictionary. After listening to the debate for several days, I was starting to question whether I really understood what the word equity means. This is the Employment Equity Act, not the employment special preference act, as the Reform would have us believe, not the employment discrim-

ination act, as Reform would have us believe. It is the Employment Equity Act.

• (1220)

Let me quote from the dictionary: equity; fairness. If one goes to the second definition, it says the application of the principles of justice. Equity; justice. Those are Canadian words. Those are words that Canadians have taken to their hearts and have identified now for decades as a fundamental of what this country is all about.

Let me go to the word equality: the state of being equal. It is not one better than the other, but equal. That too is a term that our society and our country has stood for not only at home but around this globe.

Our approach in the bill is founded on a human resources planning approach to workplace issues. It is founded on creating a climate that encourages diversity through real action, not empty rhetoric. It is founded on a compliance process that has been based on those best Canadian values of negotiation and co–operation.

It is founded on giving employers the tools, the information and the incentive to recognize the ability in everybody who comes forward and applies for employment, in everybody who is in their employ and is looking for opportunities to advance and to improve.

My colleagues on this side of the House have talked about how this system will work. We do not have to rely on speculation. This is not new legislation. With some minor changes in applying it to the public service, it is the same employment equity legislation that has been in place in Canada since 1987.

My colleagues have talked about employers who see the value in this legislation to do the right thing. These employers have spoken of the flexibility and realism that is the foundation of our approach.

I sat through weeks of hearings of the human rights committee where numerous employers' organizations came before us in support of the legislation. They were not in support of every detail of it. They asked for some changes and most have been made. Not every equity group approved of every detail in the legislation. They asked for some changes and some of those have been made.

In true Canadian spirit, we are trying to achieve a progressive goal for all Canadians, a goal that is good for our economy, good for our society and good for individuals within our Canadian society.

We have not, as always, done what everybody would have liked but we have reached the best accommodation possible of the many different interests involved.

[*Translation*]

We have taken a made in Canada approach to employment equity. Admittedly, there are problems, but we can find effective, sensible and user friendly ways of dealing with these problems. This means no quotas, no reverse discrimination and no arbitrary preferential treatment. This means creating a fair and rational workplace for all.

[*English*]

I ask the hon. members opposite to quit falling back on the tired slogans of American politics, to quit pretending that the Canadian way is the American way. It is not. Look to this country. Look to our reality. Look to a better future and more opportunity for all Canadians, not just the select few. Look to a solution that makes sense. That solution, I believe, is found in Bill C–64 and the continuation of employment equity in Canada.

• (1225)

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, the member who just made her presentation spent some time talking about discrimination in Canada, saying that members of the Reform Party deny that there is discrimination. I do not think one Reform member of Parliament could be found who would deny that there is discrimination and that it is not a problem. I do not deny it and I do not think any of my colleagues would deny it.

If discrimination finds its way into the workplace, as members of the Reform Party have said, it should be dealt with in a tough manner. We do not tolerate it and we must not tolerate it.

The member also gave statistics to show that legislation is needed. I present a few statistics and ask the member to respond to them. These are from the 1994 employment equity report. The report said that 570,000 people are currently regulated by the present Employment Equity Act. The member spoke about this not being new legislation, that there is an Employment Equity Act in place. Of this number 45.6 per cent are women. In the Canadian workforce about 45.9 per cent are female. The difference between those in the employment equity program and those outside is .3 per cent.

In total, women occupy 47 per cent of government jobs, while 47.3 per cent are available for work. Again, a .3 per cent difference. The civilian staff of the RCMP is 82.6 per cent female; Citizenship Canada, 74 per cent female; Transport Canada, 75 per cent male. What are we going to do in these departments? Are we going to make sure we get the right quotas, get rid of women in one department and get rid of men in the other? What are we going to do?

The overall statistics in government and outside government show the employment equity program has very little effect.

Before the member responds to these statistics, the polls consistently show that Canadians are against employment equity. Approximately 70 per cent to 80 per cent of Canadians are against employment equity programs, such as this Liberal program.

I want to ask the hon. member how the Liberals can totally disregard the will of a large majority of Canadians and ignore these polls on the issue when they are so willing to accept the results of their own polls on other issues?

Ms. Catterall: Mr. Speaker, I can only repeat that the Reform Party obviously needs to educate itself. The member for Vegreville just said "if discrimination finds its way into the workplace". It is impossible to look at any statistics from the workplace and not accept that discrimination finds its way into the workplace.

I will quote some additional statistics from a recent report by Simon Fraser University. Canadian born Greek males earned 16.2 per cent less than Canadian born males of British background. Even those earnings paled beside the ones for black and Filipino immigrant males who posted earnings that were respectively 21 per cent and 20.2 per cent lower than those for Canadian men of British background. Double jeopardy operates for women. Visible minority immigrant females earned 7.2 per cent less than white Canadian females. I therefore ask the hon. member to please take the if out of his statements about discrimination in the workplace.

• (1230)

Employment equity is not about being able to get a job; it is about having an equal opportunity to get as good a job if the person is as good. It is true that over 80 per cent of employees in the clerical category in the Government of Canada are women. Those happen to be the lowest paid jobs. That may be why there is such a high representation of women. Employment equity is about giving all groups the opportunity to earn the same as anybody of similar competence. Within that group of clerks the top levels are more likely to be occupied by men. Even within that group of clerks women are not allowed to progress.

The member referred to the fact that equity has been achieved. It has not. Notwithstanding the qualifications, we must look at the quality and the rate of pay, rather than simply being able to access the lowest paid jobs.

I sat through a couple of months of committee hearings on this bill. There was only one poll which came forward which said that Canadians were not in favour of equality in employment and it was a flawed poll. If the Reform Party had more polls with more validity to bring forward at any time during those hearings, it had every opportunity to do so, but it did not.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, this country is managed by statistics. The hon. member pulled out statistic after statistic about who is where in our society. I wish government members would go to their ridings and talk to the people one at a time. Maybe then they would understand more about what is going on in the country.

I am very happy to speak to Bill C–64, the legislation of a Liberal perfect world. It was interesting to hear the debate over the last two days, but it is somewhat disheartening. Let me go back to an issue which is somewhat related to this. Let us look at what the Liberals know about the workplace.

Today in Halifax we learned of how the minister of patronage in Atlantic Canada is meddling in the job market. Surprise, surprise. Once again the friends of the minister have mismanaged millions of taxpayers' dollars at Cornwallis Park Development Agency in what has been called potentially the biggest boondoggle in the last two decades.

Jobs, jobs, jobs. What does it mean to the Liberal minister for Atlantic Canada, the minister of public works? Once again we see that the minister of public works has his own version of job equity. A person has to belong to one of two categories in this country: either donate to the Liberals or become friends with one. That is the only way to have an equal shot at a job in Atlantic Canada.

I do not think the government has any idea of what job equity is. Who a person knows and whom they donate to are what really count.

The seeds of dissension are here among our young. They are not there for lack of a job equity bill; they are there because many of them see themselves as not being able to get jobs because of quotas. Government will deny the use of the word quota. I will explain exactly where I get this terminology: right out of the bill.

• (1235)

This is social engineering at its worst. Ontario has just elected to do away with it. We are not talking about America, as one of our Liberal colleagues over there said. This is Ontario. Apparently there is a mismatch now. The Ontario government says it will do away with it while the Liberal government in Ottawa is about to impose it on the rest of Canada.

It is also interesting that the last speaker from the Liberal Party said that we in the Reform Party talk about affirmative action which is all wrong. However, the Liberal member for Halifax in a partial quote said this morning, "affirmative action would not be necessary if employment equity were in existence" or something to that effect.

Mr. Forseth: What is the difference?

Mr. White (Fraser Valley West): That is exactly what she was talking about and the other one said: "You are talking about it over here".

What is the answer? The answer is: "We will fix it. We will fix it for everybody in Canada. We Liberals have the answer". Let me show what their answer is. Goals versus quotas, are they the same thing? Under the Employment Equity Act, section 6, an employer is not required "to hire or promote unqualified

persons" which is good, nor "to create new positions in its workforce", which is very good.

Also under the Employment Equity Act, section 33, the Canadian Human Rights Commission cannot impose a quota on the employer where quota is defined as "a requirement to hire or promote a fixed and arbitrary number of persons during a given period". This is very good. People say: "That makes a bit of sense to us. We could probably buy into this legislation".

What is not talked about by the Liberals is section 10. In circumstances where under–representation of designated groups has been identified the employer is required to prepare a plan in which short term numerical goals for hiring and promotion of the designated groups are established. We will be getting employers to look at short term numerical goals, but these are not quotas. Also longer term goals for increasing the representation of persons in designated groups are also established.

If in the opinion of a Canadian Human Rights Commission investigator—there is an investigator; hire him like the ethics counsellor who is not used either—an employer has not made all reasonable efforts to implement the employment equity plan, including the goals, the employer may, if negotiations fail, ultimately be subject to an action by an employment equity review tribunal for contempt of process similar in nature to contempt of court leading to imprisonment until the directive is complied with. This is from sections 25 and 31, mark it down.

An employer, believe it or not, can also be fined up to $50,000 by the responsible minister, who is yet to be determined, for failure to file an employment equity report, for failure to include required information in the employment equity report, or for providing false or misleading information in the employment equity report. This is from section 36, write it down.

Tell me the Liberal government does not have quotas. Tell me this is all voluntary, completely voluntary. Then tell me what it means to have an investigator on staff checking them out.

• (1240)

Tell me what it means to force organizations to have short term numerical goals for hiring and promotion of designated groups and long term goals. If they tell the investigator they cannot make it or they cannot do this or that, then they negotiate. If that does not work, there will be a tribunal. If that does not work, they will be put behind bars.

Listen up. What is the government doing? This is not a fun exercise we are going through to get votes and spend money. What this government is legislating here is serious. It has nothing to do with racism but has everything to do with rights and privileges in this country.

Who will the government fine up to $50,000? Why will it fine someone up to $50,000?

What will the government do when it has a quota in a town where perhaps there are not the right number of people? Will it get its investigator to find somebody to take to a tribunal? What if someone is found who is absolutely not suitable for the job? Will that person be placed in the job anyway? That is a great way to get Canada competitive in the global market. The brilliance of social engineering.

Let us look at a couple of application forms. One of these forms was given to me by a backbench Liberal who is not very happy with what is going on here. Among the things asked on this application form is to self–identify. Look in the mirror or perhaps determine what kind of person you really are. Let us self–identify: cultural, racial or linguistic minority person. Explain that and define it. Lesbian, gay man or bisexual. What the heck does that have to do with employment? That is where social engineering hit. That is just one application.

Here is the government's application. The longest thing on the application is the group with which one has to self–identify: Black, Chinese, Filipino, South Asian, Indonesian, Pakistani, Japanese, Korean, Southeast Asian, Burmese, Cambodian, Laotian, Thai, Vietnamese, visible minority west Asian, North African, visible minority Latin American, Oceanic, Polynesian, Micronesian, Melanesian. What is the government doing to this country?

These are application forms. The government is intent on social engineering quota systems. If something is found wrong then it will get its investigator out. He will chase it down, much like the investigator it has under the Official Languages Act. He makes his report.

Mr. McClelland: That might answer the census question.

Mr. White (Fraser Valley West): Perhaps.

This is the politically correct Liberal government days in our Canadian society. Government members will impose on the rest of us those things we do not necessarily want. Do they really think in a community like mine that many visible minorities do not get jobs? In fact they are the majority of employees in many businesses in my community. Do they think other people say that is not fair? We have to try to employ everyone in society regardless of race, colour, creed, religion or sex.

• (1245)

We cannot engineer society through legislation, but the Liberals will do it because they have a majority government. The mess will be there, which they will leave behind when they are turfed out of office.

Let us talk about SMIP. Probably not one of them knows what SMIP is. Do they know? What is SMIP? They have no idea what SMIP is. That is special measures initiatives program, a new program just introduced by the Liberal government. What is it all about?

It retains the successful elements of previous special measures programs. It has new initiatives to support the development and retention of designated group members. There is a recruitment component in SMIP that is similar to old programs but is directed at other groups such as aboriginals, visible minorities and so on.

What does SMIP do? It spends money. It spends $768,000 on aboriginals; $508,000 on all employees; $992,000 on all employment equity groups; $838,000 on more than one but not all employment equity groups; $382,000 on women; and $225,000 on visible minority groups. The list goes on and on.

There is not a person in the House today on that side who even knows what SMIP does. A lot of it buys votes; it enables the government under yet another program to go around the country handing out money.

The Liberal government is involved in quotas. I have explained how and why. If someone would like to stand on the other side and explain what I said, if I were wrong about my discussion on goals and quotas, I would love to hear it. Am I wrong about sections 25 and 31? Am I wrong about section 36? If I am, let us talk about it.

How is it right to ensure fairness in an employment system while at the same time telling some people they need not apply because they do not fit into a category? The government will say that is not really so and they will get another portion of the workplace.

Young people are saying to politicians all the time, not just Reformers but Liberals as well, that they cannot get in there, that they need not apply, that they need not submit an application form to the RCMP. I have had them in my office and I asked why not. They say that they do not fit, that they are excluded from the category. How does it make it right on the one hand to exclude people and on the other hand say it is fair and equitable?

• (1250)

An hon. member: That is baloney.

Mr. White (Fraser Valley West): One member says that is baloney.

An hon. member: It is.

Mr. White (Fraser Valley West): It is absolutely accurate. I need not say much more about it. It is extremely frustrating to listen to Liberals on the other side giving their version of the Liberal world out there without a reality check with the rest of the country.

When they refer to "those bad Reformers" it must be a racial thing with them. If they took a good look at who we are and what we represent in our communities—people of all races, colours, creeds, religion and sex—they would be a little disappointed in themselves. They should look in the mirror and wonder what they said in the House of Commons about Reformers. That is probably the lowest we can get in debates like this one. It is fine if they wish to use it but they will not get it from over here.

If the goal system is not a system of quotas, exactly what is it? What is it when we need an investigator to ensure these things are being done? What is it when people can be fined and become a criminal for not living up to a quota established by government? What is that?

It is a frustrating exercise to try to get the debate on a level that the government will understand. Its members are intent on pushing this through. They are intent on having it their way. They are intent on giving average Canadians what they think is best for them even if average Canadians do not think it is.

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I will be very brief.

The Reform Party was born of a sense of feeling excluded from the power and the decisions made in the country. If I am wrong in that regard I would certainly want it pointed out. However, it is my understanding that essentially the Reform Party was born of the notion that the west was feeling left out and did not feel it was part of it.

That sentiment should cause the member to understand exactly the principles behind the bill. The desire to allow all people to feel a part of the system of government and so on is very important. Members representing that party opposite should be the first people to understand that notion, given where they were born.

Mr. White (Fraser Valley West): Mr. Speaker, the member's first presumption is inaccurate. Not only the west wants in. He has it all wrong. The east wants in. Central Canada wants in. The difficulty is that people across the nation are alienated by the traditional tactics of that party.

It was not just politics, for instance, that had us opt out of the MP pension plan. That traditional party at the trough will take the money and run, which alienates people across the country. It has alienated us here. The traditional approach to the Senate of that party and the other party that is gone is wrong. It has alienated most people in the country yet the Prime Minister continually appoints Liberals to the other place.

• (1255)

It is not some Reformer coming out of Abbotsford, Langley or Aldergrove, British Columbia, saying that he is angry. We do a fair bit of travelling ourselves and we hear it across the country.

That presumption the member just made will sink the Liberal ship. It truly will because they are basing the dissatisfaction of people on something they feel is western alienation and that is wrong.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I attentively listened to the hon. member's speech. I was somewhat puzzled by some of the conclusions he drew from the bill we are debating.

I should like to ask a question of the hon. member. Does he believe aboriginal Canadians, women and visible minorities choose to work in low paying jobs, choose alienation from the Canadian economic system and choose their lifestyle?

We have lived for decades without employment equity and thanks to employment equity we are now seeing progress. We are seeing, for example, that women's salaries have gone up. Not enough. They are still not equal to men's salaries. The gender gap still exists.

Since the hon. member seems to have all the answers, I will go back to the original question. Does he think that women choose to be ghettoized in certain sectors? Do visible minorities choose low incomes because they like low income jobs? Or, is it because there are systemic barriers in society that do not allow these individuals to achieve their full potential?

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, no one in this country or any other country chooses to make less money than anyone else. Males do not choose that. Females do not choose that.

Everybody in this country has an equal opportunity. It is not necessary to legislate it. It is not necessary to imprison people or to fine people that do not abide by the rules.

It is a lot like any other distribution within society. I stand beside the member from Coquitlam who is female. I do not think she makes less than I do. I do not think she has any particular advantage over me or I have any particular advantage over her. She got where she is today the same way I did; she worked hard for it.

The presumption being made is that any inequity in the country can be legislated. They cannot legislate morality, although I am sure they will try hard enough. They cannot engineer a society. Have they not stopped to think about what has happened in Ontario and why? Is it just because the Ontario government is Conservative and they are not? Is that the reason they put it away?

Ms. Catterall: Yes, exactly.

Mr. Stinson: How many female leaders have they ever had and in how many years?

Mr. White (Fraser Valley West): It is interesting to note the number of female leaders the Prime Minister's Liberals have had.

Mr. Stinson: Yes, and after how many years?

• (1300)

Mr. White (Fraser Valley West): Mr. Speaker, I think this is a government of double standards. A few minutes ago I described what happened with the minister of public works in Atlantic Canada. Talk about double standards. Hiring friends. Does this guy look at employment equity? Only if you know a Liberal and donate to the party. That is employment equity to those people over there.

An hon. member: Most people call it patronage.

Mr. White (Fraser Valley West): This is a party of double standards. Fortunately for Canada we only get their double standards once every few elections and then we throw them out.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have a question for the member. He accuses others of having double standards. Yet he is against equity, the purpose of which is to ensure as much as possible that the double standards that exist are rectified.

The member is beginning to understand a little. In another 120 years, to use an expression he used, his party should have it down pat.

The member said in previous remarks as well that he and his colleagues have travelled around the country and know very well what is going on. Is he aware of an article in today's Cornwall *Standard Freeholder* in which the Grand Chief of the Akwasasne community in my riding talked about the extensive travel of the member across the way: "Three Reform Party MPs who toured Akwasasne Wednesday to check out smugglers alley should be arrested for trespassing, says the furious Grand Chief Russell Roundpoint". He identifies the members for Calgary Northeast, Wild Rose and Fraser Valley West.

I wonder if the member is familiar with that and what some people think of his travel plans. Does he not think that when he does those kinds of activities he just bragged about that the least he could do is have the courtesy of informing the local elected officials, and I am thinking here of the Grand Chief of Akwasasne?

There is a perception of insulting the community by the failure of members to do so, and showing disrespect for the minority and also to stereotyping them as all being part of an illegal activity. If he does not want to give that perception, will he at least tell us now that the failure on his part and that of his colleagues to show that kind of respect was wrong and will he apologize to my constituents who live in Akwasasne?

Mr. White (Fraser Valley West): Mr. Speaker, if this member were doing his job we would not have to travel to his riding.

If that member realizes what is going on down there and the problems they are having and the people we talked about, he would not be in the House whining about it.

He is trying to do exactly what is going on in the House. He is trying to turn a situation where we were looking at some real problems of crime in his riding into a racial issue. That is what is wrong.

We have been talking to the solicitor general about the crime problem in this area and we have been getting very poor answers. There has been no recognition from the government, no real action to curb it. We have been down in the member's riding because we were asked to go. If he does not like the way we travel, that is really just too bad.

I belong to a party that goes out and talks to the people rather than these pompous Liberals who complain that Reformers are in their ridings dealing with issues. They turn a crime issue into a racial issue. That is exactly what is wrong. He has a crime issue in his riding.

• (1305)

They do not have the courage to deal with the crime because they are so sensitive about something they call a racial issue.

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, I will be splitting my time with the hon. member for Etobicoke—Lakeshore.

[*Translation*]

I am pleased to discuss this bill, which seeks to make the workplace fairer for all Canadians, particularly those who have traditionally been disadvantaged.

This is also an opportunity to reply to some very severe criticism made by Reform Party members in terms of this bill's probable impact on the Canadian business world.

[*English*]

I wish they would stay with us long enough to hear some of these responses so they do not come back uneducated. They asked a lot of questions. They want responses. I am going to reply to some of their concerns and it would be great if they were here to hear them.

[*Translation*]

This criticism has dire consequences, because it seeks to undermine the efforts made to ensure fair treatment of Canadian workers.

[*English*]

Mr. McClelland: Mr. Speaker, I rise on a point of order. I note that it is customary and appropriate that we do not make reference to the absence or the attendance of other hon. members.

The Acting Speaker (Mr. Kilger): I thank the hon. member for raising the point. His interpretation is correct. If that assessment is correct I would ask the hon. member for St. Paul's to deal with it. We should all be mindful, as the hon. member for Edmonton Southwest has raised the issue, that we are not at any time to make reference to the absence of members from the Chamber.

Mr. Campbell: Thank you, Mr. Speaker. I am pleased to speak to this bill and to have the attention of all members of Parliament.

[*Translation*]

So, I want to take a few minutes to discuss the provisions of this bill and explain how they will not only benefit disadvantaged people in the workplace, but also employers.

This legislation reflects two basic values which Canadians really care about: fairness and equality. It also takes into account the need to promote business development, in order to create jobs and opportunities which will ensure a good future for all Canadians, whoever they are and whatever their situations.

[*English*]

This bill seeks to achieve a critical balance between competitiveness and compassion which is so vital for assuring opportunities for Canadians.

While we in government are seeking to enhance fairness and opportunities for Canadians, some opposition members either do not see the need for such measures or feel that no improvements are required to existing legislation. In my opinion they simply do not get it.

They have never had the experience. They do not understand what it is to apply for a job, to have all of the qualifications and to somehow suspect that their colour, their gender, their disability or their orientation precludes them from a fair chance at that job.

I do not necessarily ascribe malevolence to interviewers or people who do the hiring. It is human nature. We have all felt it ourselves. When we face candidates before us we tend to like those who are just like us better than we like everybody else. We feel more comfortable. We feel more at home. We can see ourselves working with them.

We have only to look at the membership of the third party to see that they have the same problem and perhaps need a plan to deal with it within their own ranks.

An interesting study was done recently with respect to hiring. Employers were asked to consider applicants on the basis of their applications only. There were no personal interviews. It was interesting to see employers hire people without regard to colour, gender or disability and only find out later their colour, gender or disability and then say: "I do not care. I will make whatever arrangements are necessary. Whether it is a ramp for a wheelchair, or whatever it is, I want that candidate".

When faced with a person in front of them, by human nature or otherwise, the tendency is, after years and years of good intentions, for employers not to move fast enough. They need some assistance in seeing a way through to doing what they know is in the interests of their businesses which is to have a diversified workforce.

• (1310)

Much progress has been made under current employment legislation and the current act but much more remains to be done. Women are still concentrated in lower paid clerical, sales and service jobs. Maybe that is the place where some hon. members want to see them stay but that is not where this member or this party wishes to them stay.

In the case of aboriginal people, the percentage in the workforce under the act currently is 1.4 per cent compared to 3 per cent in the Canadian population. It is roughly the case with respect to persons with disabilities. They are roughly 6.5 per cent of the overall population but a far lower percentage in the workforce. That is wrong. It denies Canadian businesses the work and dedication of devoted and capable people who can be accommodated and should be received and welcomed as should people who are otherwise among the designated groups.

However, those people still find themselves on the bottom rung of the economic and social ladder. It is not just their problem, which is what I suspect hon. members from the third party think. It is a problem for all of us since restricting the participation of such individuals in the economic life of our country damages the competitiveness of Canadian businesses. Businesses themselves understand that. They endorse many of these proposals. They have been doing a number of things on their own. They have been working with us to develop programs to give effect to the guiding principles encompassed in this legislation. It is good for business and it is good for Canada.

Those businesses realize that recruiting, promoting and retaining people who are representative of the Canadian population helps them provide better and more responsive service since diverse experience and perspectives are a bonus not a burden.

It is useful to note that many business representatives, not usually identified as left wing radicals, appeared before the standing committee in support of the bill. They told us the bill would help them develop a more diverse workforce and give them a competitive edge over less diversified competitors. Diversification in business just is not about one's product line. It is about one's employees as well.

Contrary to the accusations of some members, this bill is not some piece of wild–eyed radicalism, totally divorced from the realities of economic life and experience. Rather, it is a moderate document which seeks to promote equal opportunity in the workplace without imposing an onerous regulatory environment on business which we recognize is already hard pressed in an increasingly global, competitive marketplace.

For instance, while the act seeks to encourage employers to address under–representation by members of designated groups, it does not require them to hire unqualified people, to create new positions, to create undue hardship or to contradict the merit principle. What we are anxious to see is people hired on their merits regardless of their gender, their colour and other characteristics which have gotten in the way of people with equal merit getting an equal opportunity.

The impact of the bill will be limited since it will only involve those public and private sector organizations and enterprises covered by the Canada Labour Code, about 10 per cent of the workforce. It does not impose quotas or some draconian regime directed from Ottawa as some have suggested. Rather it seeks to help organizations and enterprises develop their own targets for themselves which will allow them to develop a more representative workforce.

To do this, the act will rely on self–identification by employees rather than forcing people to be singled out. There is every indication that such a system should be successful since employees have shown themselves increasingly willing to identify themselves for the purpose of this since the first act was passed in 1986.

In addition, enforcement of the act will not be a reign of terror as conjured up by members of the third party. There is no intention of hounding companies which, not yet fully in compliance with the targets they set, are sincerely trying to reach their goals. Our approach in such situations will be of helping, not harassing. We hope to encourage co–management of this program within enterprises. This means getting workers and management to work together in partnership to ensure the success of the program. While management will bear responsibility since it has the ultimate say in how it manages its affairs, there will be considerable opportunity for both sides to work together on the setting of targets, timetables and implementation strategies.

• (1315)

Success in the area of labour–management co–operation could well prove so rewarding that both parties might then decide to extend this collaboration to other areas of common concern, which would in turn benefit the enterprise as a whole.

Canadians are justly proud of the progress they have made in ensuring fairness and equal opportunity. While the Employment Equity Act of 1986 has led to a number of successes, much remains to be done. We in this party will not cease in our efforts to improve upon what we have done in the past. History does not stop. We gain new experiences every day and we see ways in

which we can implement our policies more effectively as time goes on.

We realize though that progress must not hinder the success of Canadian business, which is so vital for creating jobs and opportunities Canadians need. This act seeks to provide this vital balance and contains provisions that will benefit not only employees, particularly those traditionally disadvantaged, but employers as well. As such, it represents a win–win situation where everyone gains.

For this reason I will be supporting this legislation before the House and would encourage all members to do so.

[*Translation*]

The Acting Speaker (Mr. Kilger): Before giving the floor to the hon. member for Lévis, I simply wish to remind the House that the period for questions and comments lasts five minutes.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, first, I want to say that the official opposition supports the legislation, even though we feel it does not go far enough—

An hon. member: Oh, oh.

Mr. Dubé: —in spite of the protests made by the third party. At the same time, a member of that party alluded earlier to the government's double standards. In a sense I agree with him, but obviously not for the same reasons.

There are the following points. First, the government introduces legislation like this one, which is in general very praiseworthy and, at the same time, it passes other legislation, including one piece of legislation last year, suspending job security in the public service for three years. Administratively, they will cut 45,000 jobs over this period, and yet, when it comes to employment equity for women, for example, in the public service, it seems to me that a government should first set the example itself, before it asks business to do something.

It should be beyond reproach in this regard. In fact, we can see, and all the statistics indicate, that no progress has been made in the federal public service; nothing has changed. Pay equity is in the order of 72 per cent. Even for jobs requiring the same qualifications, women were paid less than men. Women are in lower paying jobs, because these jobs are lower down the ladder.

With the cuts and the legislation ending job security, there was the phenomenon of voluntary departures, buy–outs. In cutting other positions, a discretionary formula was used, and guess by whom, by the managers of the various government services. The vast majority of the positions involved are held by men, very few by women.

Can we call this a fair practice? This is what I mean when I talk about a double standard, it may be alright for the third party to support it. It is all very well to make speeches in the House, to pass fine laws, but I know, coming from Quebec, that some people expected a lot from the Official Languages Act, for example, in promoting employment equity for francophones, those from Quebec, and even those from outside Quebec, and still nothing has happened.

Last year, a minister was obliged to issue directives to enforce a 20–year old law, and nothing has improved.

We will support this bill, but I have a question for the hon. member. In his opinion, since he is closer to the minister, are there any indications of a reversal of the double standard trend, that is, the trend of passing fine laws, but changing nothing? On the contrary, revisionist measures have been taken leading to regression and a return to the past by, for example, suspending job security in the public service.

What is preventing the government from passing antiscab legislation?

• (1320)

So, this is my question to the hon. member, who seems to have progressive ideas. I want him to reassure me as to the value of what he is saying, in terms of its impact on the government and on cabinet.

[*English*]

The Acting Speaker (Mr. Kilger): I remind the hon. member for St. Paul's that while he indicated to the Chair he would be splitting his time, if he wants to give his colleague the opportunity to conclude her intervention before the end of government orders his response should be brief.

Mr. Campbell: Mr. Speaker, thank you. I do want to allow my colleague that opportunity.

I thank the hon. member for his intervention and for reminding the House that the official opposition does support the bill. We appreciate that support. Obviously they recognize, as we do, that there are improvements that can be made in the way in which we do business in this country.

He raises some good points to the effect that the public service should be mindful of the laudable merits of this statute as it begins to apply to them.

The Acting Speaker (Mr. Kilger): I thank the hon. member for his co–operation and I regret the period of question or comment is terminated.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I welcome this opportunity to join with my colleagues on this side of the House in support of this important piece of legislation, which many disadvantaged Canadians have long dreamed of.

Yes, I use the word "dream". I am proud to be a member of a team that dares to dream, one that has such faith in our capacity as individuals and our capacity as a nation.

In the Liberal Party the vision was set out in what we called "Creating Opportunity: The Liberal Plan for Canada ". In that document the government reinforced and spoke about the social fabric of the country. We promised to strengthen our employment equity legislation to ensure that we meet a very simple but profound commitment. That commitment springs from the belief that everyone in Canada is entitled to equality.

I remind members that the red book speaks of a future where all Canadians, regardless of gender, race, or physical and intellectual attributes, enjoy a standard of living and quality of life equal to those of other Canadians. With this legislation we are moving forward and ensuring that that future will become a reality.

I want to talk about Bill C–64 in terms of the strength we hope this will build in our society, in our communities, and among us. It is capitalizing on the diversity. It is about creating jobs and growth. It is about removing barriers to full employment. The modifications of the act are designed to streamline and strengthen its existing provisions to ensure that the philosophy behind employment equity becomes the everyday practice in the federally regulated workplace.

This constructive piece of legislation builds on the significant progress we have achieved since the Employment Equity Act was introduced in 1986. I remind the House that Canadian banks, airlines, broadcasters, some of the largest and most visible companies in the country, have been implementing employment equity programs for a decade. They have recognized that without such plans their businesses would become less and less representative of the clients they serve, a point which must not be lost on us as government.

As a result of the federal policy and the dedication of business to implement it, the numbers of designated groups have risen, without backlash but with plenty of benefits to our society. Bill C–64 is a continuation of our efforts to create real equality of opportunity in the federally regulated workplace. It goes further than our existing legislation by expanding the act's coverage and clarifying what employment equity will and will not do.

This legislation will help explode the many myths we hear coming from across the way in this House. These folks have circulated many of those myths: employment equity challenges workplace norms that reinforce existing patterns of power. This can be threatening to people who are satisfied with the status quo. They do not understand the need to accommodate differences because they are satisfied with the way things are.

• (1325)

The so–called playing field is already tipped in favour of those for whom it was constructed, so it is not surprising that there are attempts to find reasons to justify resistance to more inclusive employment policies and practices.

We have heard the myths coming from the other side of the House. We want to affirm that employment equity, with its emphasis on fairness toward all Canadians, shatters all those unfounded assumptions.

The legislation requires only that employers consider all qualified candidates, I underline qualified, when seeking new employees or choosing among workers for promotions. The act does not allow quotas, and it certainly has no mandatory preferences when employers choose new workers or consider their existing employees for promotions. Somehow those two concepts, the qualified candidates and no mandatory preferences, seem to be lost on the opposition.

This bill is not about preferential treatment; it is about equal treatment. If it is given a chance to work, everybody will benefit. The legislation is meant as an unobtrusive human resource management tool that would educate and assist employers as they create more equitable workforces. Would that we could do this in the House.

The whole point of this bill is to enhance this country's economic performance through the removal of barriers that prevent members of the designated groups from contributing to the workplace. It is as much about economics as it is about justice. Clearly it is about both. We want to achieve a better balance, one that assures fairness and dignity for disadvantaged Canadians and works to our country's social and economic advantage.

We are not interested in compiling statistics. The act is not about counting numbers or instituting reams of new regulations. We are talking about Canadian people, work ready individuals anxious to demonstrate their abilities in a fair and welcoming environment, who must be given that choice.

We need to rethink how we relate to one another as groups of people. That is exactly what our improved employment equity legislation asks us to do.

Bill C–64 asks Canadians to open their hearts and open their minds to the many advantages of workplace diversity. It asks that we put into practice the democratic principles we profess to believe in: fairness, access and equity for all, regardless of gender, race, disability, orientation. It insists that we live up to our moral and legal obligations by upholding the rights and freedoms enshrined in our Constitution.

Clearly employment equity is not an impediment to business or an infringement on anyone's rights. It is a catalyst for improvement to the workplace and progress in our country. It is the foundation of Canada's future. More than just the stuff dreams are made of, this legislation can dramatically impact the standard of living and quality of life of disadvantaged Canadians, the millions of women, visible minorities, persons living

with disabilities, aboriginal people, et cetera, who are an important part of our great nation.

I remind my hon. colleagues that these people are counting on us to do the right thing. They are counting on us to endorse this crucial legislation. There can be no debate. Bill C–64 is the right thing for Canada. It is the right thing for us to do. It is the right thing for us to do right now.

Let us get on with the job. Maybe the myth carriers and those who would stand in this House and continue to have those myths circulate will begin to understand that Canadians are counting on us to ensure that fairness and equity exist in this country.

Let us get on with the job. Let us support this legislation.

The Acting Speaker (Mr. Kilger): I see members seeking the floor on questions and comments. I remind colleagues it is 1.30 p.m. I can only proceed by unanimous consent.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): It being 1.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

Mr. Derek Lee (Scarborough—Rouge River, Lib.) moved that Bill C–242, an act to amend the Corrections and Conditional Release Act, the Criminal Code and the Young Offenders Act (improvement to public safety), be read the second time and referred to a committee.

He said: Mr. Speaker, I am very pleased to have this private member's bill reach the floor of the House of Commons. As members know it is not an item of private members' business which will be voted on. We all know and believe, because we have to, that our private members' business arrangements sometimes shine a light, point the way and give direction in the field of statutory and policy reform. If it does not happen here it is not going to happen anywhere.

My bill—perhaps I should not call it my bill because a lot of people, events and persons contributed to the bill—reflects six or seven years of experience in this House as a member of Parliament, regionally and nationally and more particularly the seven years I spent on the House of Commons justice committee. Some of the things in the bill actually evolve directly from that experience on the justice committee.

To be sure there continue to be flaws in Canada's criminal justice system. We all recognize that. The challenge is to find solutions and make corrections.

I am not one of those who would say that the whole system is in disrepute. I have a great deal of respect for the Canadian criminal justice system, notwithstanding some of the flaws that it has. Let us be honest, there is not a criminal justice system in the world which will not over time develop flaws and show need for change.

In the past year and one–half the government that I sit with proudly has made a number of changes in the criminal justice area. I will mention the Young Offenders Act, the Corrections and Conditional Release Act, the new sentencing act, amendments to the Criminal Code to deal with DNA testing and other areas and last but not least the institution of a new national crime prevention council.

The council recognizes that we have a long way to go, maybe forever. The business of reducing the potential for crime will go on forever. The business of addressing society's needs in a way that will reduce the propensity of our citizens to resort to crime will always be there and will go on.

Last night, by coincidence I guess, I had the opportunity of watching on one of our Canadian networks an interview with the French and Mahaffy families following the conviction of the accused Paul Bernardo for the murder and other crimes in relation to their daughters. Thanks to television and to those families, we were able to enter into the homes of these two Canadian families. I could not help but sense that the families were hoping for a reconciliation with Canadians to meet the challenges in their personal lives. I cannot imagine that had anything to do with why they agreed to do the interview.

• (1335)

I want to thank them for doing the interview and I hope that Canadians have been made aware of several things. It shows how vulnerable we all are in terms of public safety. We share our vulnerability to a psychopath or any criminal intimately with every one of our fellow citizens.

Last night's interview permitted Canadians to understand how important this area of law and policy is to all of us. I hope those families will forgive me for even attempting to suggest what they wanted to convey. I believe one area where we still have some reform ahead of us is the criminal justice area. I hope they would agree.

There are still reforms that we must address. The bill before us today is a short list. It is not comprehensive. It contains six areas of reform. I am going to walk through it now. I believe it is fair to say that not every element of the six areas will have universal support. That is rarely the case when one tries to make a change in the criminal justice system. However, I would like to

think that there is a sizeable consensus that this list is just part of the reforms still out there for us to accomplish.

The first item is the denial of statutory release for serious, repeat offenders. A serious repeat offender in this case is a person who while on any form of early release, has been convicted of an offence for which that person has been sentenced to five years or more. The subsequent second offence which would result in the denial of early release is certainly a serious offence. It would have drawn a sentence of five years or more.

I am not being particularly aggressive in this. In April 1993 the standing committee on justice reported through its 14th report and recommended that the sentence for the subsequent offence be set at two years. It is the same recommendation of denial of parole and early release but the threshold was two years. In my bill I have selected five years.

I hope I will not be accused by anyone of wimping out. The Liberal Party of Canada in May and August of the same year adopted the report of the justice committee as part of its criminal justice policy package. The House of Commons justice committee unanimously endorsed the provision and referred it to the House. The Liberal Party of Canada adopted the entire justice committee report. At the moment that recommended reform has not yet been adopted.

• (1340)

One of the most glaring examples of why reform is necessary is the case of the conviction of Albert Foulston in Edmonton for the murder of a police officer in 1990. This person has had 48 separate convictions so it is fair to call him a convict. This convict was in prison serving a sentence of approximately 10 years. I do not know whether anybody really knew exactly how the 10 years was composed because the sentencing mathematics contained in the Criminal Code and in the CCRA are very complex. In any event, he was released.

On several occasions while he was on early release he committed other offences. I will not go through the list. It is part of the public record elsewhere. While on early release for the umpteenth time he participated in the killing of an Edmonton police officer for which he was fairly promptly sentenced to 20 years.

The sentence calculation resulted in his total sentence looking like 30 years because it was consecutive. However, because of the way we calculate sentences, he was eligible for parole one year and five months after he was convicted of the murder. With his life sentence he was eligible for parole one year and five months after he was convicted of murder. That is absurd. The absurdity has been recorded in public journals.

One is moved to say that the system is obviously in some disarray. I will leave that as an example of why the existing provision must be changed.

My bill says that if a person is on early release and is convicted of a crime and sentenced to two years or more that person loses the right to early release.

I accept that there must be at the end of the consecutive sentences a period when the offender will be integrated. That has to be in the statutory release portion because I do not want that guy being released at the end of 30 years and sitting on the Bay Street bus the next day beside my kids. I want a period of integration.

The bill would close a loophole which allows offenders to avoid serving time for new offences if those new offences occur while they are on early release or even while they are in prison. If a person is sentenced to seven years for a particularly bad crime and during the fifth year that person gets out, beats somebody up and steals his money, that would normally draw a sentence of a couple of years. The way the law is currently written it requires that person to start the two years back at the beginning of the seven year sentence.

I am not going to take time to read that section of the Criminal Code. It is a public statute and anybody can read it. They can read the Corrections and Conditional Release Act and the appropriate section of the Criminal Code.

• (1345)

Basically the second offence is what I call a freebie. There is no sanction. You can steal a car, steal a purse, commit an assault, and provided of course that the sentence for the second offence does not exceed the length of the sentence you were first on, you do not have to serve any additional time. This needs to be corrected.

We tried in the House in the last Parliament, I know we tried in this one, and we are getting closer. We have made amendments, but officials seem to be reluctant to alter the system too much, because every time you change a sentence calculation it costs money, and they do not have the money in their budgets. They are very cautious about making changes to the way we sentence people and keep people in our correctional institutions. I accept that.

In any event, I am still on the case and many of our colleagues in this House are still on the case and we are slowly getting to those reforms.

The third area is the lowering of the age of criminal responsibility from age 12, where it is now, to age 10. That has been misinterpreted in a lot of quarters. People ask how you can throw the Criminal Code at a little 11–year old. That is not the objective, any more than it is the objective to throw the book at the 13–year old or the 14–year old. What we have done in this country is arrange for intervention into the life of a young offender when they are under 18 years of age. What this does is allows the appropriate intervention for a 10–year old or 11–year old. At present there is no intervention.

I remember in the last Parliament, the day before I introduced a similar provision in private members' business was the day of that unfortunate killing in Great Britain where the two 11–year old boys were involved. If that had happened here in Canada there would have been no intervention. In some provinces there would have been a social worker, but no Young Offenders Act. The social worker procedures vary from province to province. This would allow intervention at an early age, the same way we intervene for all young offenders.

The fourth area is a provision that deals with the community scourge of crack houses. Municipalities are crying out for some way to deal with this. I suggest the solution is to redefine what we call a disorderly house or a bawdy house in the Criminal Code and allow the same procedures that communities use to deal with bawdy houses and disorderly houses, where there are procedures to deal with what we call found–ins and procedures to deal with landlords. There is nothing else out there. It is a simple amendment, and many communities I know would want to take advantage of it to deal with crack houses.

Fifth is stiffer bail provisions for two categories of cases, where you have people out on bail or on peace bonds committing other offences. This proposal deals with being on bail or on a peace bond and committing an offence on the peace bond or committing another driving offence while on bail for a driving offence. There are very serious implications for the public to have a drunk out driving again when he or she is on bail on a driving offence. To reverse the onus in the bail does not mean they do not get bail; it means that it is up to them to show the judge why they should be released. The onus or the burden of proof changes in terms of entitlement to bail.

Last is a matter that has been discussed publicly. It would allow victims of sexual assault to have the blood of the accused tested only under a judge's order and in such a way that the evidence of the blood test would not be used against them in the trial. This provides something for the victim to make sure that he or she has not been infected with many of the sexually transmitted diseases that are out now. There are half a dozen of them. Some of them are lethal. We have to have some compassion for victims where you make a prima facie case in front of a judge and the judge says there will be a blood test. In this way the victim can be assured, as best we can using the medical testing we have, that he or she has not been infected with one of these STDs.

• (1350)

Those are the six parts. I have had a lot of help preparing this, first from my constituents, who have given me a lot of latitude here in Parliament to deal with a lot of issues. I hope the bill reflects their concerns. I received a lot of help from Canadians. I will mention some of the people with whom I have had contact over the last few years: Margot Blackburn, who has gone public, Priscilla de Villiers, who has gone public, Mrs. Mahaffy, the Rosenfeldts, and others. These people have all been direct or indirect victims who want to see change. I have also spoken to public interest groups, Victims of Violence, CAVEAT, the Canadian Centre for Victims of Crime, financed by the Canadian Police Association.

I am grateful to my colleagues in this House for their continuing support. Sooner or later, I hope these initiatives will bear fruit.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I am pleased to be able to speak on private member's Bill C–242 tabled by the hon. member for Scarborough—Rouge River. I shall be addressing in particular clauses 3 and 8 on lowering the minimum age of criminal responsibility.

Before I begin, I would like to stress that I find it a bit strange that we are today debating a private member's bill from a member of the government party. He himself began his speech by stating that he was on the House of Commons justice committee for six years, nearly two of those while his own party formed the government. I find it somewhat strange that he is proposing this again today. I wonder, is it because he has not managed to influence his own minister of justice? Yet, as a member of the justice committee he has studied these specific aspects.

I am a bit surprised therefore to see a former member of the justice committee proposing such a bill. Perhaps this means—and I think some of the hon. members opposite might have something to say on this—that the matter was looked at somewhere and the hon. member for Scarborough—Rouge River was no doubt told that his bill was not in line with the government's intentions.

I am therefore prepared to debate it, but it is my impression—not that I want to say we are wasting our time—but that the energy expended by the hon. member, his good intentions notwithstanding, could have been better expended if he had worked on the office of the Minister of Justice, particularly the minister himself. But, there you are.

The members of the opposition, who have no real power, can see that the backbenchers of the government party do not have much power or influence over their cabinet colleagues either.

As I have stated, my speech will be on clauses 3 and 8, because they are aimed at dropping the minimum age of criminal responsibility from 12 to 10 years.

I recall being present here in the House when the Young Offenders Act was being discussed. That debate succeeded in lowering the age by two years. At that rate, and considering the number of debates there have been over time—you may think I am laying it on a bit thick—but if we keep dropping the age down every two years, in ten years they will be saying that the Criminal Code applies to babies. This is not logical, but there you have it. In Canada, government members, with the backing of the third party, are going along with a trend that is really

reinforcing the ideas of the right, ideas that our young people really need measures to control them better.

I cannot get over this. Before coming out with such things, did anyone think about the message we are giving to our young people at the present time? Ten to twelve year olds are still just children, or adolescents at most.

The hon. member is suggesting a change in the definition of a child and an adolescent by lowering the age. At 10 they would be recognized as adolescents.

• (1355)

True, our children are bigger than they used to be because they are healthier and better fed. It was recently reported that their IQs might be 10 per cent higher as well, for a variety of reasons, than what they were 20 years ago. I am willing to agree that these conditions are improving, but I still feel ten years is too young.

I am sure that this has not succeeded in influencing the Minister of Justice and therefore is not likely to be implemented. I trust that this debate will not influence others. One never knows if, after Quebec becomes sovereign, another party, the Reform Party for instance, were to come to power in Canada, well then it would be—

Mr. Gagnon: It would be dreadful.

Mr. Dubé: Although I did not put words in the mouth of the hon. member for Bonaventure—Îles-de-la-Madeleine, for once I agree with him. It would be dreadful to see such measures made more stringent.

We in Quebec have a tradition. Although we apply the Canadian Criminal Code to those under the age of 18 years. there is a provision for rehabilitation. When a crime has been committed by a young person, it must be interpreted as a sign to the parents and to society that something must be done for this young person.

I recall the words of a member of this House, whom I shall not name as he is not present. You would have cautioned me, Mr. Speaker, that we must not speak of the absent, but once warned, twice shy.

Who among us can boast that we did nothing bad as children. It is true that there are some extremely isolated cases, for instance the two young boys aged between 10 and 12 who committed a murder in England. This is unacceptable, but these are isolated cases. Let us have a look at the statistics.

What is the real state of affairs? According to statistics issued by the Conseil permanent de la jeunesse du Québec, in 1992–1993, 35 per cent of violent crimes in Canada were committed by individuals aged 25 to 34. On the other hand, the 12 to 17 year old group was responsible for less than 15 per cent of these crimes. I repeat, less that 15 per cent.

Excluding the elderly, the very old—I am sorry to say the very old, but I will soon be joining them, since in 12 years I will be 60—statistics issued by Statistics Canada show that young people are less violent than any other age group in terms of serious violent crimes. Let us keep this in mind.

I do not want to impute motives to the member, but he is jumping on the bandwagon in favour of harsher measures to better control our young people. Was increased funding for prevention and better education ever considered? Were increased resources in these areas ever considered?

I did not see anything to that effect coming from this government. Unfortunately, some provincial governments want to cut this sort of services. A case in point is what is going on in Ontario. I have not closely checked it out but I understand that Alberta has made drastic cuts in these areas. This is a dangerous trend.

We all have kids and we know how firm we have to be with them. We cannot be naive. We have to be firm with them, and, as adults, give them good advice. We must not always think in terms of punishment. We must give ourselves better means to help those who tell us that society leaves to be desired, that they have problems and need our help. I think we should debate those things.

One last point. Time flies and I have only one minute left.

I have kids living at home and friends in the same situation and I am always amazed to see how easy it is for them to view violent movies. Why can we not take adequate measures in that area?

• (1400)

I cannot give you specific statistics today, but I am sure that the many murders and attempts at violent acts that a young person can see depicted on film in one evening have a negative influence on our youth.

Why are we not conducting serious studies to limit the influence of such programs on our youth? I would be an interesting approach. We could at least try.

After all, we did bring these kids into the world. There is a song which says: "We gave them birth, maybe we could listen to them". So maybe we could listen to what they have to say and try to find out why these violent individuals act the way they do, even though they are only a minority.

We must, as a community, be it Quebec or Canada, take the necessary steps to help these young people. If I am still here later on— which is doubtful, but if not here perhaps elsewhere—

someday I will suggest ways to help young people avoid the negative influence of such television programming.

[*English*]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my pleasure to rise in the House to speak on Bill C–242. It is a very rare occasion to see anything concrete coming from the government side of the House that makes any sense and actually deals with the real issues. I guess it is because it is coming from the back benches and not from the government that I can appreciate we are dealing with the real issues here.

Having had the opportunity to sit on the Standing Committee of Justice and Legal Affairs with the member for Scarborough—Rouge River, I can appreciate his approach to legislative changes. During his tenure on the committee the member for Scarborough—Rouge River has been able to identify problems with the current laws, propose legislative changes before the committee and try to promote them. Unfortunately he has had very little support from members of his own caucus.

He is attempting with Bill C–242 to deal with the real issues, the real concerns, and to suggest legislative changes. There is nothing earth shattering about the changes he is recommending. Serious repeat offenders should be denied statutory release. Loopholes should be removed from the calculation of parole eligibility which allow repeat offenders not to serve their full new sentences. Victims of sexual assaults should be allowed to request that their assailants provide blood samples to check for infectious diseases. Bail procedures should be toughened up. Crack houses should be outlawed and the age of criminal responsibility for young offenders should be reduced from 12 to 10 years old.

The member for Scarborough—Rouge River has identified a number of flaws in the justice system and has offered workable solutions to these flaws. Either that, or I would suggest he has been reading the Reform Party's policy book again. Bill C–242 reads like it came directly out of the criminal justice reform section of our policy book. In either event the Reform Party certainly supports each and every one of the amendments in Bill C–242.

It is a shame that these issues will only receive one hour of debate this afternoon and then will die. All these amendments have the support of the Reform Party. I am certain they also have the support of an overwhelming majority of Canadians. Canadians are demanding justice reform. There are just too many cases where the law is not protecting the average citizen.

Canada's justice system needs to adopt one underlying principle: when the rights of a convicted offender are in conflict with the rights of the victim or the rights of society as a whole, the rights of the victim or of society shall take precedence every time. A prime example of the need for this principle is contained in clause 7 of Bill C–242.

The need for legislation sprung out of a case in Quebec a few years ago when a mother was sexually assaulted by an inmate on parole. The inmate had previously been incarcerated in an institution with a very high number of AIDS cases. Since her assailant had been an intravenous drug user the victim was naturally concerned that her assailant may also have carried HIV. When her assailant refused to voluntarily give a blood sample the victim went to court to have one given. Her request was rejected because conducting a blood test against the offender's will was deemed to be a violation of his rights under the charter.

• (1405)

This is a prime example of what is wrong with the Canadian Charter of Rights and Freedoms. This offender who committed a serious crime of sexual assault should have lost some of his rights. One of the rights he should have lost was the right to refuse to take a blood test.

On the day of the sexual assault the victim's life was irrevocably changed. Sexual assault leaves emotional scars that never leave the victim. One additional burden should not have been her daily concern about whether or not she had been infected by HIV or any other sexually transmitted disease.

Clause 7 would have addressed that issue. Unfortunately Clause 7 like the rest of Bill C–242 will never be enacted.

In the last days of June we finally got the government to move on the question of taking DNA samples. Why could blood samples not be given the same consideration where there is justifiable cause?

Another aspect of Bill C–242 I should like to address is the amendments the member for Scarborough—Rouge River wishes to make to the Young Offenders Act. He felt it was necessary to lower the minimum age from 12 years to 10 years. The member for Scarborough—Rouge River cites the example of the murder case in Great Britain where two 10–year old boys murdered a 3–year–old. The member correctly pointed out that had the offence occurred in Canada the police would have had little recourse but to simply accompany the boys back to their parents, and that would have been the end of it.

It is interesting this example was used because I have used it myself on many occasions. I have been criticized because such a horrendous event has not occurred in Canada and therefore it is inappropriate to use it.

Then I switched to my Mikey Smith story. Mikey Smith is an 11–year old boy from Surrey who has for the past couple of years been one of the most active car thieves in the lower mainland area. While I am not sure what his current total is, it is probably well over 100 cars. Mikey Smith publicly admitted that he

would continue to steal cars until he was 12 years old because there was nothing anybody could do about it.

Mikey's mother asked that he be charged before he either killed himself or somebody else, before he reached a point where he could not turn his life around. The Surrey RCMP would have been more than happy to have accommodated the mother but the law did not allow it. The Surrey crown counsel would have loved to have been able to have accommodated Mikey's mother, but as the Young Offenders Act currently stands there was nothing they could do.

I questioned the Minister of Justice about it in the House and in committee. He expressed concern about the issue. He basically said that while they can do something about it they are not prepared to do so.

In the meantime one of my constituents was going home one afternoon, going through an intersection on a green light, and was sideswiped by a car stolen and driven by Mikey Smith. Fortunately no one was seriously injured, but it is incomprehensible that this kind of situation can continue to be allowed and that Mikey Smith should be allowed to continue the mayhem.

One response I received from the federal government was that it was a case in which the provincial social services should have intervened. Just for the government's information, they did. They sent Mikey on a wilderness program so that he could develop a better attitude. The program helped so much that on the day Mikey returned to Surrey he stole a car to celebrate his return.

Unfortunately Mikey is not the only youngster under 12 to be engaged in crime. Youth gangs are recruiting 10–year olds and 11–year olds to carry out some of their crimes because they know that they cannot be charged. Still there is no hint from the government that it will support this kind of change. In fact when the Reform Party put forward a votable motion last year not one Liberal voted in favour of it.

In conclusion, Bill C–242 is a good example of how some Liberal backbenchers have proposed good legislation but how the government is not prepared to let the legislation be enacted. It is apparent to me that the only way these criminal justice reforms will ever be enacted is if there is a more Reform minded government in place. I assure the member for Scarborough—Rouge River that such a government would be much more sympathetic to supporting these initiatives.

• (1410)

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, it has been interesting to listen to the debate.

I have looked at some aspects of the bill and think it would make good law. However when I hear the position of the Reform Party then I think I must be wrong.

I have studied the proposals that have been put forward. Some I agree with and some I do not. When trying to come up with criminal law we must always look for a balance. The protection of society is always a primary concern. That has to be balanced with the rights of the accused. In recent years the interests of the victim have also come to the fore.

I believe that the bill put forward by the member for Scarborough—Rouge River tries to strike that balance, particularly in the area of someone who continues with the commission of crimes while he or she is out on early release. The proposal for change so that the person will no longer be eligible for statutory release is a good one.

The threshold for statutory release is also good because it is not at the two–year level but at the five–year level, which indicates that a rather severe crime has been committed. Therefore, more sanctions for the protection of society require that we have this type of an amendment. The example used by the member for Scarborough—Rouge River of a person who commits a murder and would only have to serve roughly a year and half before being eligible for parole is something that needs to be amended. I support those two aspects of the proposed changes in Bill C–242.

I share the concerns of members from the Bloc about changing the age for people who have committed a crime. It seems to me that lowering the age is really not the proper direction to proceed. Perhaps what we have to do is what has been done in some jurisdictions, which is introduce more flexibility. Rather than trying to come up with age limits, we should allow the court in specific circumstances to determine whether the child has the capability of understanding the crime he or she has committed and whether the process would be better served either inside or outside the criminal justice system, rather than come up with some magic line drawn in the sand.

In that sense I cannot support the part of the bill calling for change to a 10–year age limit, although it is very convenient when we hear the stories put forward by the Reform Party for Mikey Smith or the stories that come forward from the situation in Great Britain. Most often we hear of the extremes but we have to come up with laws that deal with the norms. Therefore, I see no real benefit in that aspect of the proposed bill.

There is some benefit in looking at stiffer bail procedures, crack houses and those types of things to see whether we can grapple with those issues and come up with a system that works.

On the face of it these seem to be good. It is too bad the bill will not get the opportunity for committee study and input. Maybe there are other approaches, other ways to fine tune the bill. However, to me it looks very positive.

I talked earlier about balancing one aspect against another. I can think of nothing worse than a person who has been the victim of a sexual assault being doubly victimized by not knowing what possible diseases may have been transmitted as a result of that sexual assault. When I try to balance the rights of the individual who committed the crime and the rights of the victim, from my own point of view I come down on the side of the person who has been victimized. If a blood test would give any comfort to that person after enduring that situation, then I think society would require that we do something.

• (1415)

In that sense this bill proposes a methodology which would allow the court to review the circumstances to decide whether or not an order should be granted. Therefore the rights of the individuals in that balancing act we have to go through are protected to a degree, but the rights of the victim are also protected.

In conclusion and as a general comment, the main thrust of the bill deals with the issues of the people who commit a crime once they are out on statutory release, the eligibility for bail and the calculation of sentences. Those issues are well aimed. We need some changes in the law in that area.

I do not support the member in his position with respect to the change of age. The member for Scarborough—Rouge River and I have discussed this issue over some period of time.

I do support the general direction. I would be interested in hearing from experts but I think the bill requires the right balance between the accused and the victim in dealing with blood tests. It is unfortunate this bill is not going before committee where we would have the input of others as to how we can make our criminal justice system better.

[*Translation*]

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I rise today to speak on Bill C–242, an Act to amend the Corrections and Conditional Release Act, the Criminal Code, and the Young Offenders Act. I know that the hon. member from Scarborough—Rouge River has invested a great deal of time and energy in bringing this piece of legislation before the House.

The thrust of the hon. member's proposals is to deal more stringently with repeat offenders, particularly those who commit crimes while on day parole, full parole or statutory release.

In particular, these proposals address anomalies in the current legislation which have been of concern to various interest groups, particularly the police and justice system officials.

Under that legislation, many offenders who commit multiple crimes or who re–offend during their sentence may remain eligible for release and may even avoid custody altogether.

On June 21, 1994, the Solicitor General introduced Bill C–45, an Act to amend the Corrections and Conditional Release Act and related statutes.

The bill received third reading and is now before the Senate.

The amendments contained in Bill C–45 will ensure that offenders who get new sentences will feel the effect of those sentences. This will help restore confidence in the sentence calculation process in the following way.

Under the government's proposals, any offender who receives a new custodial sentence while on conditional release would be automatically returned to custody.

In the case of a consecutive sentence, the offender would have to serve the parole ineligibility portion of the new sentence before becoming eligible again for parole.

This means a third of the new sentence, or one–half of the sentence in cases where the court has made an order that this would have to be served. The net effect is proportionate to the new sentence and respects the decision of the court to serve an additional period of time in custody.

[*English*]

These proposals were developed on the basis of extensive consultations with a broad range of groups and individuals including judges, lawyers, police, provincial corrections and justice officials, as well as representatives of various voluntary service organizations.

Last March the Standing Committee on Justice and Legal Affairs conducted a review of Bill C–45. During that process, the committee heard from over 60 witnesses who represented 32 different organizations, including victims groups, police organizations, professional groups, women's groups, aboriginal organizations, as well as a range of organizations from the voluntary sector.

• (1420)

During its clause by clause review, the committee debated a number of motions to amend the sentence calculation provisions of Bill C–45 and endorsed them in their entirety. These provisions were also recently passed by the House of Commons.

[*Translation*]

While I believe that the hon. member's bill is well–intentioned, I am also concerned that it falls short of the impact intended by Bill C–45 for the following reasons. First, the changes proposed in Bill C–242 do not take into account the

inter–relation of the various sentence calculation provisions in the Corrections and Conditional Release Act.

By changing two aspects of the law, we will create an imbalance with other aspects of the legislation. This would necessitate significant re–drafting of the law as it now stands. Bill C–242 also deals with the complex issue of sentence calculation in a limited manner. Implicit in these proposals is the assumption that an offender under sentence will receive only one new sentence.

In such cases, sentence calculation is simple and straightforward. The offender would lose any eligibilities for conditional release on the original sentence, and would have to wait out the parole ineligibility period of the new sentence before becoming eligible again for conditional release.

But how would a sentence be calculated if the offender receives four or five new sentences of varying durations, some consecutive and some concurrent, at different points in the original sentence? The bill fails to address this complex and very realistic matter.

The law must be equipped to deal with multiple sentences and all possible combinations of sentences in an equitable manner consistent with the court's intent. And while this government supports the principle that repeat criminal behaviour should be dealt with more stringently, particularly when it occurs during conditional release, I also believe that the courts can take this into consideration when imposing a new sentence.

Bill C–45 will address the shortcomings of the current sentence calculation provisions I mentioned earlier. In doing so, the bill does not lose sight of the purpose of statutory release which is to provide offenders released from prison with a gradual controlled transition period back to the community to assist them with their reintegration and minimize public safety risk.

I would like to assure the members of this House that where any offender is at high risk of committing a violent or serious drug offence before sentence expiry, the National Parole Board has the authority to detain the offender until warrant expiry. All the measures I have mentioned aim to ensure that offenders are not arbitrarily held in prison longer than necessary, and that due consideration is given to their individual cases and level of risk to the community.

We must take heed that discretion is fundamental for ensuring that all cases are dealt with fairly. I believe that an individualized approach based on risk assessment is preferable to blanket removal of statutory release for a category of offenders.

[*English*]

During witness hearings on Bills C–45 and C–41 regarding sentencing reforms, it was frequently heard that imprisonment should be used as a last resort for the most serious offences. Many witnesses who appeared before the justice and legal affairs committee also stressed the merit of providing offenders with gradual, structured release programs combined with ongoing treatment and support to ensure long term community protection. It is well known that simply locking them up for longer periods of time will not achieve the goal shared by all Canadians for improved public safety.

• (1425)

[*Translation*]

The proposals set out in Bill C–45 are a thoughtful reflection of the collaboration with many groups and individuals, including members of the opposition.

I look forward to seeing effective and balanced reform—such as that presented by the government in Bill C–45—move forward, and anticipate that Parliament will deal fairly in addressing the anomalies which the hon. member for Scarborough—Rouge River has brought to our attention.

[*English*]

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I am pleased to speak in favour of Bill C–242, the public safety improvement act, introduced by my distinguished colleague from Scarborough—Rouge River. Before I address the specifics of the bill I believe it is important for members to understand the history of our colleague's complex initiative.

As many members know, since his election to Parliament in 1988, the hon. member for Scarborough—Rouge River has been a strong advocate for criminal justice reform. He first introduced this bill in the late stages of the last Parliament. At that time the bill received a great deal of attention for three main reasons.

First it was and still is a thoughtful, well drafted and complex piece of legislation which attempts to fill numerous cracks in the criminal justice system. Second, national police and victims groups rallied around the bill because it addressed many of their concerns. Third and perhaps most significant of all, the bill was co–sponsored by the former member for Red Deer who at the time was a government member who shared his opposition colleague's concerns for the issues which the bill aimed to address. Today, more than two years later, we are still debating those same issues in the House.

As previous speakers have noted, this is an omnibus bill which deals with six key areas of the criminal justice system. They include statutory release, sentencing, young offenders, crack and bawdy houses, bail provisions and the rights of victims. To a degree some of us are asking why the government has not already addressed these issues. To a degree it has.

We have had the DNA legislation, amendments to the Young Offenders Act, a new child registry for sex offenders, tougher immigration and deportation provisions, and the list goes on and on. The government has done a good job. We have done a lot

more to improve public safety than any government before us and that is not just Liberal rhetoric.

The deputy bureau chief for the *Sun* news recently reported: "This Liberal government has actually done more to toughen up the system in two years than the previous Tory government did in nine". Although we have accomplished a great deal, there is still more to be done and this bill addresses some of those problems.

The hon. member for Scarborough—Rouge River has proposed that an offender who commits a crime while on early release and who is sentenced for five or more years for that crime would no longer be eligible for statutory release. That proposal makes a lot of sense. The purpose of statutory release and for that matter all forms of early release is to prepare the offender for his or her ultimate reintegration into society. If an offender commits a crime during the trial freedom period, they obviously do not appreciate their freedom and therefore should not be trusted again.

In 1988 had Joseph Fredericks, a convicted pedophile with a long criminal record, not been entitled to statutory release, or mandatory supervision as it was known then, Christopher Stephenson, an innocent 11–year old Brampton boy, might not have been brutally murdered. It is for this reason that serious consideration should be given to this proposal by my colleague from Scarborough.

The issue of an offender committing a crime while on early release for a previous crime brings us to another section of the bill which deals with an area referred to as corrections math. Currently, if an offender commits a new crime while still serving a sentence for a previous crime, the new sentence begins on the start date of the original sentence. I am certain that anyone listening to this is confused, as I was when I first learned about sentence calculation many years ago when I was in Millbrook on the other side of the table doing parole hearings.

It still makes me angry. An offender serving a sentence of seven years for armed robbery commits another crime while on early release in year five of his or her sentence. Although the offender is sentenced to an additional three years in prison for the crime that was committed while on early release, they will not serve additional time in jail because the new sentence will be merged with the original one. Basically they are allowed to commit a free crime.

It is 2.30 on Friday afternoon and everyone wants to leave. It is the end of the time. I am sorry I was not able to finish my speech, but I want to tell members that I support Bill C–242 and the amendments to it. I hope the justice minister is listening.

The Acting Speaker (Mr. Kilger): I thank the hon. member for Victoria—Haliburton for his co–operation.

The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96, the order is dropped from the Order Paper.

Before adjourning, I wish all of you and yours a very happy Thanksgiving.

[*Translation*]

I would like to wish you all a wonderful Thanksgiving Day.

It being 2.30 p.m., this House stands adjourned until Monday, October 16 at 11 a.m., pursuant to Standing Orders 28 and 24.

(The House adjourned at 2.31 p.m.)

HOUSE OF COMMONS

Monday, October 16, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

ACCESS TO INFORMATION ACT

Mr. Bob Mills (Red Deer, Ref.) moved that Bill C–309, an act to amend the Access to Information Act (disclosure of results of public opinion polls), be read the second time and referred to a committee.

He said: Mr. Speaker, most Canadians believe that this is the best country in the world. However, that does not mean they agree with the status quo and do not want changes. Canadians want constructive change and near the top of every list is the desire for a more open and accountable government.

Open government means a free flow of information between the government and its citizens. It means that government informs the public rather than manipulating them. Open government means that when tax dollars are used to commission polls about the thoughts and opinions of Canadians, everyone has the right to assess the results of these polls in a timely manner.

Canadians who want access to poll results should not have to jump through bureaucratic hoops in order to get the answers. Unlike the last Parliament which was very secretive this Parliament must change the system. Never again should Canadians be faced with the situation where the information commissioner has to take the Prime Minister to court to force him to release publicly funded poll results as happened in the Mulroney regime.

The kind of backroom government that has been so common here in Ottawa must change and it must change quickly. The Canadian public will not accept that sort of secrecy any more. They will not put blind faith in their politicians. They have learned through experience that left to its own devices, government will take advantage of the situation.

Government will selectively release important information to manipulate the public and advance its own agenda. In fact, we recently witnessed a perfect example of just this type of behaviour by the Parizeau government in Quebec. While this example did not involve polls, it did involve a series of publicly funded studies that examined the consequences of separation.

As all members are probably aware, the Parizeau government realized that some of the studies cast serious doubts on the viability of a separate Quebec. These studies responsibly pointed out the economic pitfalls that would invariably be associated with separation and the Parizeau government did not like it. Instead of releasing all of the taxpayer funded studies, Mr. Parizeau only released those that reinforced his own position.

• (1105)

The point therefore is to make all polls public in a timely manner. Not only was this manipulation by the Parizeau government dishonest, it also was an example of the need for legislation that specifically prevents this kind of behaviour.

The current government has not been as secretive as the previous one. If the Liberals truly believe in the concept of open government, then they should not be afraid to put their money where their mouths are. By making open government the law of the land, Parliament can show all Canadians that times have changed and that the rights of citizens to know what their government is doing is a fundamental one. If Parliament is really serious about open government, then all members should give their consent to make Bill C–309 votable and then we should pass it.

The bill would amend the Access to Information Act to ensure that all federal departments, boards or agencies that commission public opinion polls gave notice to the designated minister and the Speaker of the House of Commons. The designated minister would then be obliged to submit to the House of Commons the results of the polls and report the following: a description of the nature of the poll; a copy of the questions asked and a summary of the responses given; the period when the poll was conducted; and the cost of the poll. The minister would be required to lay this report before the House no later than 15 days after the poll was completed. If the House is not sitting, the report would be deposited with the information commissioner within the same deadline, published in the *Canada Gazette* and then presented to

the House of Commons during the first five days after it resumed sitting.

If Bill C–309 was made votable and passed, the results of all public opinion polls commissioned by federal government bodies would become public in a very timely fashion. This prompt disclosure would make the results available while the information is still relevant to the current concerns of the public and is what the Canadian people are demanding.

Although I hope I am wrong, I predict Liberal members will speak against the bill. Members opposite know very well that they made election promises to "make open government the watchword of the Liberal program". I doubt they are willing to live up to that promise.

This reluctance of the Liberals to honour their red book promises was clearly demonstrated earlier in the year when they were the only members from any party to vote against open government by defeating Motion No. 304. I proposed this motion. It would have opened up Parliament and crown corporations to scrutiny under the Access to Information Act. I was told it was not to be passed at that time because the whole question was under review and massive changes were to be made to the Access to Information Act. Everyone agrees that it needs revision. I wonder if we will hear the same reasons now.

Even though Liberal members had been given assurances that M–304 would not breach the confidentiality of their offices or disrupt the competitive edge of crown corporations, Liberal members unanimously voted against that motion. This was especially strange considering that several members had told me privately they favoured the motion and thought it was a great idea. We all know what really happened. Instead of allowing their members to vote freely on the matter, the top brass stepped in and cracked the party whip. Even though the chief government whip has given his word to the House that Liberal members are allowed to vote with their consciences on private members' business, those members are told what to do and as always they do it.

I would now like to anticipate the line of argument from my colleagues opposite. I predict they will say that since they have been in government Treasury Board policies on communications and information management have been changed in order to address the problems of disclosure of public opinion research. I predict we will hear that these guidelines and the promises of the public works and government services minister make Bill C–309 unnecessary. The problem is already solved, they will say, but this is not correct.

• (1110)

It is true the change in the Treasury Board guidelines tinkered with the old Mulroney system but this did not mean the problem was solved. It was not and the government knows it. News clippings abundantly reveal the continuing problems with the new and improved Liberal system. Two headlines in the *Globe and Mail* recently say it all: "Liberal poll results rules much like the Tories", "Liberals will still allow polls to be kept secret". A Winnipeg *Free Press* article entitled "Imitating Mulroney" says:

> Public Works Minister David Dingwall called the new guidelines a "breakthrough". In fact, they are little more than Brian Mulroney's policy warmed over with a little red sauce for artificial flavour. These flimsy guidelines will not require ministers to reveal information gathered at public expense, if in the opinion of the minister that information is considered advice to the government.

What does it mean, advice to the government? By tradition, advice must stay locked up in a bomb–proof vault until the minister passes on to a better place or until the paper it is written on turns yellow and disintegrates.

Let me move on to a very interesting article that was published in the normally Liberal friendly Toronto *Star* after the new Treasury Board guidelines were put in place. Its title is: "Liberals restrict access to poll results". It reads:

> —previous Conservative governments were attacked for keeping taxpayer paid for polls secret, including constitutional polls. Now, the Liberal government seems determined to do an even better job of delaying and hiding poll results.

We are talking about millions of dollars of taxpayers' money being spent on public polls and their findings not being made open to the public or to this House. The author of this article, Ken Rubin, correctly calls the government's new access scheme fraudulent. He describes the flawed new process as follows:

> 1. The lengthy up to 90 day period for publication of poll reports goes far beyond the already too long 30 day release period possible under the Access to Information Act. There will be instances in which publication is well after 90 days.
>
> 2. The up to 90 day period for publication release begins only after a final written report is received from the pollsters. That's even though the polling results are immediately conveyed—sometimes months earlier—orally or in draft written form to the government.
>
> 3. A summary report of polling results could be all that is published, leaving out the guts of the research usually found in the technical tables.
>
> 4. Some polls still will be kept secret through applying partial or total exemption of poll results under the Access to Information Act.

It will be up to the minister to decide.

> 5. The Treasury Board directives formally encourage departments to consider applying for exemptions under the Access to Information Act. This policy endorses the view that polls are something other than publicly paid for, routinely released results of public response to government commissioned questions.
>
> 6. The Treasury Board's practices will make more progressive federal departments think twice before publishing certain "sensitive" poll data; after all, departments have to go to the Treasury Board to fund their polls and focus group research.

7. Once the government has decided to publish a poll result, that poll is no longer covered under the Access to Information Act. This means recipients could lose the right to complain, all the way to the federal court, about the polling results received after late receipts and publishing delays.

There is much more in this report, but we all get the point of the problems with this new legislation. The change in Treasury Board guidelines was a finesse by the government, not an honest attempt to address the existing problem. This is unacceptable and more concrete steps have to be taken.

• (1115)

I do not claim Bill C–309 by itself can fix the problems of secretive government. It cannot and no one would say it could. However, if this legislation were passed it would be a step in the right direction.

Parliament can talk about open government until the cows come home but unless we are willing to legislate change it means nothing more than words. It is time to legislate open government.

In the sincere hope that members will have the courage to act, I ask for unanimous consent to make C–309 a votable item. If this is done all members of Parliament will have a chance to get on the record on this very important issue.

The Acting Speaker (Mr. Kilger): Does the hon. member have the unanimous consent of the House?

Some hon. members: No.

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, I rise to commend the hon. member for this proposal to extend the application of the Access to Information Act.

I am a firm believer that open government is essential to the preservation of the respect which members of the public give us as politicians and to the trust they place in their government. The Liberal Party is committed to the principle of open government.

I am not sure, however, this amendment is necessary. It is my understanding the act already provides for access to public opinion polls. Section 4 of the act provides that everyone has a right of access to any record under a government institution. In so far as opinion polls constitute such records, they are covered by the act. If specific poll results are not disclosed to the public it is because in specific circumstances a legitimate interest that competes with presumption of access is invoked. It should be noted the act performs a careful and complex balancing between a variety of interests. I am concerned that amending the act to address a specific and limited aspect of the act would disturb the various balances within the act.

In 1992 the trial division of the federal court pronounced on the question of release of public opinion research in the case of Information Commissioner v. Prime Minister. That case dealt with public opinion polls commissioned during previous constitutional negotiations. The decision of the federal court trial division of November 19, 1992 provides guidance on disclosure of such information.

In addition to section 4 of the act, the Treasury Board secretariat has issued guidelines for federal institutions on the release of public opinion polls. The Treasury Board communications policy amended last July provides that first, government institutions must make every effort to disclose results outside the formal resolution process prescribed by the Access to Information Act of public opinion research.

Second, in the spirit of the Access to Information Act, institutions are encouraged to make the final report of public opinion research available within 30 days of receipt and should resort to the 90–day allowance only if constrained by publishing requirements.

Third, in those cases in which a minister elects not to disclose the final report in response to an access to information request, the minister must send a letter to the information commissioner informing the information commissioner of his or her decision inciting the provision of the Access to Information Act that the minister has exercised. A copy of the letter will be sent to the Treasury Board for purposes of monitoring implementation of this policy.

With section 4 of the act interpreted by a recent court case dealing with opinion polls, and with a new government policy which guides government institutions on the disclosure of public opinion polls, it is not at all clear to me that there is a present and pressing problem with respect to the release of public opinion research that justifies an ad hoc amendment.

Another reason I would not support Bill C–309 is that the Minister of Justice has announced his intention to reform the Access to Information Act. I understand a review of how public opinion polls are disclosed or not disclosed to the public will be part of that review.

I trust the Minister of Justice will reform the act in providing for more open government, including greater access to polling information. I am concerned that Bill C–309 would amend the act in an ad hoc fashion.

It has been about 12 years since the act was first passed. A parliamentary committee and the information commissioner have both made extensive recommendations for reform. I believe it is time for a fundamental review that would look at all aspects of the act.

• (1120)

In addition I have concerns with specific details in this proposal. The requirement that every public opinion research contract be reported to the minister and to the Speaker of the House of Commons and that reports be tabled in Parliament or with the information commissioner and published in the *Canada Gazette* seems like overkill.

An amendment that provides that no exemptions apply to the release of public information opinion research would have been sufficient for members' purposes. The media, citizens and parliamentarians are quite familiar with the relatively easy process of filing access requests. In any event the Treasury Board policy calls for informal dissemination public opinion research. New and duplicated reporting requirements merely add red tape and cost, which we can ill afford at this time.

Another problem I have with Bill C–309 is that it would apply to any department, branch, office, board, agency, commission, corporation or other body established by or pursuant to any act of Parliament or established by or pursuant to any proclamation, order in council or other instrument made or issued by or under the authority of the governor in council.

By defining which institutions are covered by this proposed amendment in this way the proposed amendment goes entirely against the way the rest of the Access to Information Act is structured. The act applies to all government institutions listed in the schedule, approximately 140. The purpose of listing the institutions is to make it clear to everyone which institutions are covered by the act. Going away from a list approach creates the possibility of confusing the issue of whether the act applies to a particular institution. It may mean having to go to court to find out whether the act applies to a particular institution in a given circumstance.

As a result of Bill C–309 some institutions not currently subject to the act will be subject to the specific amendment. For example, Canada Post is not subject to the act but will be subject to the proposed clause 5(1).

I am also concerned about the definition of public opinion poll, which I find extremely broad. It could include quantitative and qualitative research conducted among members of the public using a prepared questionnaire or interview schedule. A good proportion of this research would be of very limited public interest.

I do not believe Bill C–309 is needed. There is already a right of access to public opinion poll research under the Access to Information Act. There is recent case law that provides guidance to the government in disclosing such polls. There is a government policy on disclosing poll results. The Minister of Justice has stated his intention to reform the Access to Information Act.

Given all this, I do not think it is appropriate or necessary to proceed with an ad hoc amendment on the specific issue of public opinion polls. I have problems also with the fact the bill would introduce significant new bureaucratic reporting requirements, deviate from the way the rest of the act defines government institutions and potentially could apply to research of very limited public interest. For all these reasons, I cannot support the bill.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, the purpose of Bill C–309 tabled on February 22, 1995 by the hon. member for Red Deer is to amend the Access to Information Act. Its main objective is to oblige the government to disclose results obtained and methods used in public opinion polls commissioned by the government through various agencies.

The proposed legislation provides that the government shall lay before this House a report of the results of public opinion polls it has commissioned.

We support this initiative because it encourages openness and the democratic exercise of power. The debate on public opinion polls and the need for making this tool more transparent is mainly about whether these polls undermine the democratic process by influencing the behaviour of society in general.

Recent studies have shown that publication of these polls can have an impact on a close race, especially towards the end of the campaign. The publication of public opinion polls can have a positive or negative impact on the morale of volunteer campaign workers and donors.

• (1125)

Party strategists complain that it is hard to retrieve lost ground when the media have decided, on the basis of public opinion polls, that a party is no longer in the running. Opinion polls may be purposely misinterpreted, if the technical information provided is too incomplete to assess the validity of the results.

Clearly, the secret use of this powerful instrument is a first step towards arbitrary use of power and a practice that is a threat to democracy. What seems to be a highly scientific instrument that confers a certain authority becomes, in the hands of unscrupulous politicians, a tool for political propaganda and manipulation. I am thinking, for instance, of the group for Canadian unity, a special unit of the Privy Council of this government.

Working on behalf of the no coalition, the intergovernmental affairs office, located in an office tower in downtown Ottawa, attempts to implement the vision of the no forces, the status quo, which will make debtors and paupers of all Quebecers and even Canadians. This anti–referendum unit funded with public money has a budget of more than three million dollars. Part of this money is spent to commission public opinion polls whose methods and results are used to influence the democratic process in the Quebec referendum.

This Canadian unity group, more obscure and secretive by far than the centre for Canadian unity was during the 1980 campaign, commissions public opinion polls on a weekly basis and uses them to manipulate public opinion in a democratic society.

In fact, because of the secret nature of these polls, nothing prevents this government from using methods that are questionable from a scientific point of view and thus commissioning results that will influence the vote.

Nothing prevents the government from only disclosing polls that are favourable and eliminating those that might be less favourable to its negative vision. Polling companies play a role that has an impact not only on elections but also on policy development. Governments use public opinion polls to define their positions on various controversial issues and to determine their priorities. Federal ministers therefore take the initiative of commissioning polls to test public reaction to various options. In short, the government is no longer concerned about the content of its policies but focusses on their form based on public opinion polls. The famous Axworthy reform is an excellent example.

The amounts allocated by the federal government for public opinion polls are astronomical. During the period from April 1990 to November 1991, a mere 19 months, apparently over $10 million in expenditures were approved by the Department of Supply and Services and committed by the federal government for public opinion polls. That amount does not include contracts awarded directly by departments.

For all these reasons it is essential for transparency to become the main objective of democratic governments when they make use of public opinion polls. Bill C–309 calls for effective measures to ensure government transparency when public opinion polls are used. The report submitted to the House of Commons must therefore indicate the nature of the public opinion poll, the questions asked and a summary of the responses given, the name of the person or firm commissioned to conduct the poll and, finally, its cost. This is a bill with the potential to change the face of Canadian style democracy.

• (1130)

Speaking of surveys, I would like to comment very briefly if I may on the results of the survey carried out by Léger and Léger for *Le Journal de Montréal* and the *Globe and Mail*, released last Saturday, the day before yesterday.

With two weeks to go until referendum day, the yes side shows a solid 49.2 per cent compared to 50.8 per cent for the no side. In only a few weeks we have taken over five of the federalists' percentage points, reducing the difference to a mere 1.6 per cent.

This considerable advance is in large part due to what the press is calling the "Bouchard factor", but it must be pointed out that this week we gained only two percentage points.

Before distribution of the undecided voters, 45 per cent of respondents stated that they would vote yes to the referendum question, while 42.4 per cent indicated that they would vote no.

Among those whose minds were definitely made up, I must point out that 52.2 per cent of francophone respondents stated that they will be voting yes, compared to only 34.3 per cent who will vote no.

There are a number of explanations for this upturn in support for the sovereignist camp. We have the most popular, most credible, most loved leaders in Quebec on our side in Mr. Bouchard, Mr. Parizeau and Mr. Dumont. Lagging far behind them are the spokespersons for the no side, the Prime Minister of Canada, the Minister of Labour, Mr. Johnson, and the hon. member for Sherbrooke.

We will win this coming October 30 because we are promoting the project of a just society that is fair for all, a project of generosity and compassion for the most disadvantaged segments of our society: the unemployed, welfare recipients, immigrants, refugees, pensioners and so on. On the other hand, the blueprint for society of this government, of the Liberals, the Conservatives and the Reform, is to protect big capital, those who are already advantaged. The program of the ministers of finance and of human resources development, of Ontario's Mike Harris and Alberta's Ralph Klein is to protect the rich and neglect the poor.

In conclusion, I state that the Bloc Quebecois supports Bill C–309.

[*English*]

Mr. Dennis J. Mills (Broadview—Greenwood, Lib.): Mr. Speaker, I should like to speak for a few minutes in support of the private member's bill of the hon. member for Red Deer who has done some excellent work on the issue.

In 1980–81 I had the privilege of working on the original access to information bill. I believed then and I still believe now the intention of the government at that time was to do the very thing the private member's bill suggests.

In the last 13 years to 14 years the whole access to information process has become locked in a system I call the bureaucratic MAD treatment, maximum administrative delay. As a government member I have had great difficulty on more than one occasion in getting the access to information system to work for me.

The objective of the hon. member for Red Deer is to refer the bill to committee. He has not asked the House to accept the bill line by line, comma for comma. If small amendments are required I believe they can be accommodated in committee.

• (1135)

The whole discussion on access to information is something that would serve the government and serve the House well. What the member is saying in the bill is very much a part of our government's red book wherein we were committed to operating a much more transparent, a much more accountable, a much more open government.

Day after day the Prime Minister lives a life of transparency. We all know that these polls are being conducted and there are the results of the polls. We have nothing to hide when we conduct polls. They are done to advance public policy in a more refined and better way for all Canadians.

We on this side of the House celebrate that members of Parliament should work hard at developing and thinking some of their own ideas. This example very much fits that description. The member for Red Deer has put forward the idea that all public opinion polls should be much more accountable to Parliament and I support him in that regard.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I am pleased to rise in support of Bill C–309, an act to amend the Access to Information Act (disclosure of results of public opinion polls).

As I look through the bill it makes complete sense to me. I am sure that anyone who believes in the democratic process would agree that the bill is simply common sense. Every day public polls are conducted by media outlets, associations, academics, and especially by government departments.

There are two principal differences between the groups I have listed. First, the government is the only one funded solely by the taxpayers of Canada. Second, the government is the principal one that does not make the results of its polls easily and readily available to the Canadian public. Is there a paradox in this situation? Last year the Winnipeg *Free Press* in an editorial wrote:

> During the election last fall, the Liberals made transparency and openness in government a central theme. What a difference a victory makes.

yes, what a difference a victory makes. We all know that the former Conservative government was obsessed with public polling. In 1992 the Conservative government spent an unprecedented $140 million on public polling. Most of that money was awarded to chums of the Conservative Party, a firm called Decima polling.

How nice it would have been to be working at Decima in 1992. I see why the Liberal government criticized the Conservatives during the 1993 election campaign. Expenditures on polling prior to 1992 were about $10 million a year. With an increase to $140 million, who would not want to make it an election issue?

I will briefly outline the history. It is important the House knows why the Liberals are arguing against Bill C–309. Liberals will tell us that there is no problem when comparing their policy to that of the Progressive Conservatives. This may be true. Hopefully no government will ever again reach the total polling expenditures the Conservatives did in 1992.

The one key point that must be clear in the debate is that the Liberal government is doing very little to change the old style polling established by the Conservative government. The Winnipeg *Free Press* stated last year:

> By tradition, advice from polling must stay locked up in a bomb–proof vault until the minister passes on to a better place or until the paper it is written on turns yellow and disintegrates.

• (1140)

This tradition is still alive and well with the Liberal government. In May 1994 the Liberal government introduced what it said was an alternative to this tradition. It introduced a series of polling measures that the Minister of Public Works and Government Services said were based on "principles of transparency and openness". The only thing transparent is the Liberal commitment to tell the Canadian people what the Liberals want them to know. The only thing that is open is the Canadian taxpayer's wallet as he or she pays for the veil of secrecy created when government polls are conducted.

Bill C–309, an act to amend the Access to Information Act, prohibits the blatant manipulation of public information gathered by government departments. The bill would force any government department or unit that commissions a public opinion poll to give notice to the appropriate minister. The minister is then obliged to submit to the House of Commons the results of the poll. The minister would present four key components of the poll: first, a description of its nature; second, a copy of the questions asked and a summary of the responses given; third, the period of time when the poll was conducted; and fourth, the cost of the poll.

This seems to be a logical progression of events. Ministers of the crown should not even need legislation compelling them to submit poll results. By their very nature as chief representatives of departments in a democracy, all information gathered at the department should be open to public scrutiny. As it stands, the ministers are picking and choosing the poll results that are most beneficial to them in promoting their policies.

The government will argue that it has answered all the concerns of Canadians about access to public polls. The government will claim that in May 1994 it released guidelines to ensure that information was made public. However last December the Toronto *Star* called the guidelines "a fraudulent new access scheme". The Toronto *Star* was absolutely correct.

There are a few catches that the Liberal government failed to mention when it introduced the new guidelines. It failed to mention that the government still has the ability to keep some poll results secret. It is able to do so if the individual minister feels the results would be injurious to the public interest or to federal–provincial relations. That seems to give the ministers room to impose total personal discretion. What one cabinet minister may see as injurious to public interest may be necessary information to the average Canadian.

Mr. Kenneth Rubin, an expert on government documents, called this ethics package "so vague it is hard to criticize it precisely, but the specific rules for withholding polls are what the Tories practised". This vagueness is a blessing only for cabinet ministers as they are able to interpret it to their own benefit.

Another benefit to cabinet ministers and their friends in the polling companies is that they are given 90 days to release poll publications, which is an absolute absurdity. After 90 days the issue is likely dead and Canadians have little interest in old news or dead issues. Also quite often the government has already used the information to its advantage by this time.

The 90–day period of silence is stretched even further as often the polling companies give the government a verbal or a brief written synopsis of the results. There is no requirement to release poll results until 90 days after the government receives the final written report. This in reality can add months to the 90–day period. The information commissioner in his annual report in June called this "a loophole of monumental proportions".

Even then, if the 90–day period is not long enough, the minister can still apply to have it extended indefinitely. In effect a minister can sit on an issue as long as he or she chooses. The government can also use the extended period provision to avoid criticism and legal action. Once the government has decided to release the poll results the poll is no longer open to further scrutiny under provisions of the Access to Information Act. That means any right to complain to the federal court about information quality or delays is no longer an option.

• (1145)

If all this security is still not enough for cabinet ministers, they have even more ways of ensuring the Canadian public does not receive poll results accurately. They can instruct their friends at the polling companies to provide only summaries of the results and leave the real meat and bones of the research in the technical tables.

Another creative method of avoiding the public is that the government can purchase omnibus polling packages from companies that are providing them to other organizations as well. These poll results then remain the property of the polling company and do not have to be made public, even though government money paid for this information.

Bill C–309 responds to all these loopholes by offering a straightforward method of dealing with the publishing of poll results. It requires the ministers to submit polls to the House of Commons no later than 15 days after the poll is completed. If the House is not sitting the report must be submitted to the information commissioner, published in the *Canada Gazette*, and presented to Parliament upon its return. This is simple logic and is democratic. Bill C–309 eliminates all the vagueness that allows the government to abuse the system.

The information commissioner wrote in his 1995 annual report: "The Liberals promised to do better than the Conservatives, much better. Many Canadians thus anticipated a new government with the self–confidence to be candid". In my opinion, it is quite clear that this government is no more candid than the former government. This is not merely my opinion. The information commissioner, who is an expert in the field, agreed when he added in his report that "expectations for a bright new day with sunshine in all the old dark places were unrealistically high". The information commissioner is clearly not satisfied with this government's commitment to openness. Canadians are not satisfied either.

The information commissioner and the Reform Party are not the only ones that are not content with the government's lack of commitment to open government. The Ottawa *Sun* criticized the government accurately last fall when it stated: "Who knows, one of these days the government might even poll you for your opinion on whether it should be forced to release the results of all its opinion polls. Tell them what you think, just don't ask them for the results. You might be told it's none of your damn business".

It is the business of Canadians to know what questions and issues are being polled. Canadians deserve the right to know what is the popular opinion of the nation. They deserve to know what the government is doing with the results it receives. They deserve to know if the government departments are polling for legitimate reasons or for the government party's own political gain. Finally, Canadians deserve the right to see how much money is being spent by the government and for what reasons.

The Acting Speaker (Mr. Kilger): Colleagues, I find myself in a situation we all do from time to time. I know the practice is not to recognize people in the gallery. However, I would want the group from St. Timothy Catholic School to know that if I could recognize them I would, but it is not our practice to do so.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, that was very well done, if I may say.

I will make my remarks brief. I rise to speak in support of Bill C–309. It is a pleasure to do so. I believe reform of the Access to Information Act is very necessary and long overdue. My feeling on Bill C–309 is that while I support it wholeheartedly, it does not go anywhere near far enough. The time has come, in the name of opening up government, in the name of opening up the bureaucracy, to review the provisions of the Access to Information Act.

I have had a lot of experience with the Access to Information Act over the years, particularly in the matter of getting historic records. As the member for Broadview—Greenwood said, the act as originally designed is not the act as it is currently practised. We have a situation where an act that was originally intended to open up government documents is now being used in many instances to withhold government documents.

I want to say to the member for Red Deer that I join him in supporting this bill and putting this bill forward. I hope it is a first step for a complete overhaul of both the Access to Information Act and the Privacy Act.

• (1150)

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I wish to recognize the individuals on the other side who are supporting this bill. I would like to ask those members who do not support the bill why they do not support it. Why did we not have unanimous consent to have this bill made a votable bill?

When these people were in opposition to the Conservatives they ripped at the Conservatives all the time. They said we have to change the access to information laws, open government up, and let Canadian taxpayers, who are footing the bill for this information, have access to it. Why the change of heart once the Liberal Party was elected as government? Why the difference?

I think the fundamental reason for that lies at the very heart of what is wrong with our approach to governing in this country. It is because we have among the three old–line parties an elitist, top down approach to governing. Once the political party of the day gets into power it is not much interested in listening to the people in the sense of shaping policy or developing legislation. It is very much a command and control government that we have. It wants to have information so that it knows how to shape its messages and sell its policies but it is not really interested in having policy developed or shaped by the Canadian people. In this milieu, it is not particularly helpful to have information available to the public. It is much more advantageous to keep that information to yourself and use it for your own purposes and not allow the Canadian people to have access to it.

I would use the gun control bill as a perfect example of a bill that is widely hated by Canadians. The government is refusing to acknowledge that fact. It is using polling as a means of trying to determine how it can best sell this odious piece of legislation. It is not really interested in listening to the views of Canadians from coast to coast who take real offence to this legislation.

I would make the argument that the situation we find ourselves in is not likely to change. We will have opposition parties forever decrying the lack of access to information and ridiculing and condemning the government of the day for not changing the access to information rules. However, once these parties get into power they will act the same way unless we have a fundamental change in our whole approach to governing.

That is what the Reform Party of Canada stands for. We believe that not only do we come here with a set of policies and principles we would like to put in front of the Canadian people, but we also suggest there has to be a fundamental change in the way Canada is governed. Ordinary Canadians should have much more say through referenda, through initiatives, and through recall to have their views and wishes incorporated into the policies and legislation of the government.

Until we have these fundamental changes, until we have a break away from this elitist, top down approach to government in which information is always going to be very tightly corralled, where there is no advantage in making that information known to the general public, we are never going to have the changes we would all like to see. I would suggest that while the members opposite talk about opening this up and having better access to information, it is not going to change until we change the system.

• (1155)

The Acting Speaker (Mr. Kilger): Seeing no other members rising, I wonder if the House might be disposed to this. The motion stands in the name of the hon. member for Red Deer. The understanding is that no one else will speak after the hon. member for Red Deer closes the debate. I would seek the member's co–operation, if he would reply under the right of reply for two minutes and no more, to in fact close the debate on Motion No. M–309 which stands in his name.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, what we have heard is a general agreement that the access to information legislation needs to be reformed. I would like to believe there is an honest will to do that and that the justice minister will deliver on the promise to change the legislation.

The problem is there are a lot of issues on the justice minister's plate and I honestly do not believe he will get around to the changes in the legislation or will be able to deal with them in this Parliament. For those of us in the House who believe there should be changes, I believe that the onus is on us to continue to bring forward these ideas and the desire of the Canadian people to have more openness in government. The people are demanding it. They are saying that it must happen. I believe that we as parliamentarians must respond. I would urge all members to get behind the changes and to pressure their parties to make these changes.

I would like to thank the House for this opportunity. I would like to thank the members who spoke in favour of the bill. We should keep up the fight to ensure that the justice minister does find the time to change the access to information legislation.

The Acting Speaker (Mr. Kilger): I thank all members for their co–operation.

The time provided for the consideration of private members' business has now expired. Pursuant to Standing Order 96, the order is dropped from the Order Paper.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

The House resumed from October 6 consideration of the motion that Bill C–64, an act respecting employment equity, be read the third time and passed.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, it is my privilege this morning to rise to speak to Bill C–64. I will be speaking against the bill.

Bill C–64 extends and supersedes the 1986 Employment Equity Act, which covered crown corporations and federally regulated private sector employees. It covers banks, airlines, railways, and telecommunications, which employ about 5 per cent of Canada's workforce.

According to the government, the purpose is to "achieve equality in the workplace so that no person shall be denied employment opportunities or benefits for reasons unrelated to ability and, in the fulfilment of that goal, to correct the conditions of disadvantage in employment experienced by women, aboriginal peoples, persons with disabilities and members of visible minorities by giving effect to the principle that employment equity means more than treating persons in the same way but also requires special measures and accommodation of differences". It is to be reflective of Canada's population as a whole.

While it does not bear directly on the federal scene, it certainly impacts on the bill at hand. I would like to quote from Friday's editorial page of the *Globe and Mail*. It is entitled "Why merit matters", and reads as follows:

Ontario's new Conservative government has introduced legislation to repeal the one–year–old Employment Equity Act. All Canadians, whatever their status or background, should be glad.

Despite the denials of its supporters, Bill 79 was unquestionably a "quota law". Employers were expected to set targets for creating a workforce that reflected the racial and gender make–up of the community at large. The bill was also clearly discriminatory. By requiring employers to favour members of the designated groups, it effectively required them to discriminate against members of the undesignated group: that is, able–bodied white men.

But these are not the worst aspects of Bill 79. The main evil of the law is its implicit attack on the principle of merit.

Appeals for the importance of merit tend to have an elitist sound to modern ears. In fact, merit has always been cherished most dearly by the disadvantaged, who regard it as a ladder to better things. For generations, even centuries, disadvantaged people have pleaded to be released from the pigeon holes in which others place them and evaluated on their ability as individuals. "See me for who I am, not what I am. Judge me on what I can do, not what I look like".

The supporters of employment equity would throw all this out the window. The merit principle, they will say in their honest moments simply hasn't worked. The disadvantaged are still disadvantaged. The colour blind, gender blind world is an impossible dream. We need to try something else. So instead of disregarding the group identity of people in hiring and promotion, we will fixate on it. Instead of encouraging employers to hire the best person for the job, we will require them to tot up their workers like so many jelly beans. Instead of encouraging new immigrants to become part of the wider society, we will tell them to define themselves by race.

In a diverse society with high levels of immigration, this is a terribly dangerous thing. Designed by well meaning people to encourage integration, employment equity in fact works against it, encouraging Canadians to huddle together in groups and feeding the unhealthy obsession with race and gender that has seized Canadian society in the 1990s. This obsession has already infected universities, museums, writers' organizations and women's groups. Bill 79 would have made it a law. Every Canadian should give it a hearty, "Good riddance".

• (1200)

This does not directly bear on Bill C–64 but I think the same arguments apply against the imposition of Bill C–64. In our case new equity laws will immediately cover approximately 230,000 Treasury Board employees. They will affect all federally regulated businesses and businesses with over 100 employees undertaking federal contracts.

Due to the increased cost this law will cause, it will hold off implementation indefinitely on certain agencies such as CSIS, the RCMP and the armed forces. In practice Bill C–64 means enforcing racial and sex based numerical goals to correct perceived past discrimination. The numerical goals are quotas in disguise. If numerical goals are enforceable they serve exactly the same function as quotas.

For years employment equity has been at work within the public service. It will be difficult or impossible to introduce it at the moment because the government is cutting jobs and has a hiring freeze in place. Public service employees declared surplus have ironclad job security which guarantees them another reasonable job offer within the public service.

Admittedly men still account for more than 50 per cent of public servants and this is also reflected in the executive ranks. Most of the top managers within the bureaucracy were hired 25 years ago when government was growing. The bureaucracy still reflects a nation of a quarter century ago. For those same 25 years women have been entering the workplace with roughly the same educational credentials and the same job aspirations as men.

In the private sector women have successfully moved into every profession: medicine, law, accounting, advertising, banking. Progress has been impressive. Why? The world has changed for women. Gender alone is no longer a very big influence on opportunity and life. Education and ability count for far more. Unquestionably racism and sexism do exist but discrimination alone does not explain the vastly unequal outcomes in life for different groups of people.

Government and Canadians have an obligation to open doors for the disadvantaged but they are not always who we think they are. This matter is more complex than simply passing laws or imposing quotas. Current data and statistics are not enough. With the reduction in the public service the new laws will not radically affect or change the face of the current bureaucracy. Most of the data and conclusions are taken from self–identification surveys which are to identify women, disabled, aboriginal peoples and visible minorities, but the accuracy of these data is at best questionable.

Many individuals do not perceive themselves to be disadvantaged or do not wish to admit it. Employer specific surveys do not reflect information accurately. In many cases people do not view themselves as disadvantaged unless specifically required to address the issue but are protected with anonymity such as in national surveys.

• (1205)

The 1992–93 report on employment equity in the public service states the number of visible minority employees may be underidentified by one and a half times. The number of disabled may be underidentified by two and a half times.

With distorted data, conclusions based on the underidentification of designated groups means there may be already higher numbers of disadvantaged people in the workforce. Alternately there is an incentive to falsify self–identification surveys based on perceived advantages of being considered disadvantaged. For example, a 1994 annual report on the Employment Equity Act noted that as of 1991 nearly 2.3 million Canadians reported having a disability, an increase of 30 per cent over 1986 surveys.

Due to fiscal constraints the government will be using employment equity figures from the 1991 census until the year 2003. How reliable are these figures? Statistics Canada acknowledges that in 1991, 10 per cent of the aboriginal population was not even enumerated. Only 3 per cent of Canadians reported their ethnic/cultural origin as Canadian.

The existing Employment Equity Act calls for a comprehensive review every three years. The last review was in 1992, but the mandatory review for this year has not been undertaken. Basically the government is moving ahead with new legislation without having the benefit of this review.

Since Canada has a shrinking bureaucracy there will be little direct impact on government but there will be an impact on businesses with over 100 employees who wish to conduct business with the federal government. What does that mean for them? No comprehensive study has been done in Canada on that outcome.

To quote the Reform minority report on employment equity, the American magazine *Forbes* is the only source which has attempted to calculate the costs of affirmative action. It cited that the cost for regulation and compliance alone stood at $17 billion to $209 billion annually. It verified that U.S. affirmative action costs were $113 billion per year since 1980, or 4 per cent of the GDP.

In 1992 the Conference Board of Canada defined small, medium and large businesses and gave the annual average cost of employment equity for each category. Due to the lack of comprehensive studies in Canada, Reform took these figures, with the assistance of the Library of Parliament, to cover businesses across the nation. If all Canadian businesses were subject to equity legislation which was in place in Ontario, where firms with more than 50 employees were asked to have an employment equity plan, the total annual direct costs would be $1,035,223,000.

These direct costs exclude compliance, opportunity and other indirect costs. The *Forbes* study showed that total costs were six times the direct costs. Based on this, the cost to Canadian business would reach $6.5 billion per annum, nearly 1 per cent of our GDP. The Library of Parliament has confirmed in writing the reasonableness of our figures.

In essence this is another costly tax on business. The government's debt and deficit are already choking our economy. Taxpayers are unable to sustain even more expense, be it direct or indirect. The department of public works is already implementing a strategic procurement initiative which applies to all government departments and grants preference to aboriginal businesses bidding on federal contracts up to $2 million.

By giving preferential treatment to native businesses in government procurement, the government hopes to provide a sustainable economic base for native self–government. However, employment equity carries a stigma and a presumption of racial or gender inferiority. Equity programs do not remove sex and race bias from the workplace; they institutionalize them.

Brian Lee Crowley's article "Does counting bodies add up to fairness?" details findings of a 1987 study. What happens when women are promoted under a program emphasizing gender over ability is that they consistently rated their performance more negatively, took less credit for successful outcomes, were less eager to persist in their leadership roles. They also viewed themselves as more deficient in leadership skills. In other words, it diminished their worth in their own eyes.

• (1210)

In other areas such as education, law school, if doors are opened to individuals who are ill prepared to take on the challenge, the outcome can lead to failure and creates a dependency on government programs rather than fair competition.

This spring the supreme court sent a clear message the charter is meant to protect individual rights rather than group rights. Section 15 of the charter of rights and freedoms claims Canadians are equal before and under law. It adds governments cannot override this basic equality to enhance groups disadvantaged because of their race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

Madam Justice McLachlin in the Miron case stated the larger purpose is simply the protection of individual human dignity and freedom which are violated whenever individuals are denied opportunities based on the stereotypical application or presumed group characteristics rather than on the basis of individual merit, capacity or circumstance.

This hard hitting ruling clearly spells out that every person has the right to be judged on his or her own merits and not on the basis of group characteristics.

Reform's minority report to the standing committee's report "Employment Equity: A Commitment to Merit" has two very clear messages: employment competition based on the merit principle is key to both equality and productivity, and that employment equity legislation is the denial of basic human rights. I encourage all members of the House to read that report. It is not the status quo, but it does contain pertinent facts that tend to be glossed over.

Politically, employment equity gives the appearance of being the expedient means to achieve equity in the workplace; it is politically correct. It is hard for the government to move into new directions, to change the status quo. We grant that.

In the example I quoted earlier, on the Harris government's scrapping the employment equity law we heard screams of "unfair". For some, change becomes uncomfortable and they are unable to envisage innovative directions where there is equality of opportunity.

The government is intent on moving forward with a new law without a proper review. I stated earlier that some government agencies would be exempt, defence being one. The Department of National Defence has conducted a diversity survey which could be and probably will be a step toward affirmative action. During the defence review Liberal members pushed to have hiring quotas official defence policy. The Canadian forces anti–racism policy does exempt affirmative action programs from classification as racism.

In the 1970s promotion of thousands of francophones was distorted by going well down promotion lists to find someone with a suitable background. By this I do not mean 10, 15 or 20 names, I mean 40 or more. The same is going on at the moment for women, although to a lesser extent. Eleven per cent of the Canadian forces are women.

If all Canadians are equal before and under the law, we must not continue to support laws that patronize designated groups, in essence assume their mediocrity. Merit should be the underlying principle. Anything that detracts from the merit principle, civilian or military, is bad policy. Diversity studies clearly signal the government is moving to introduce characteristics other than merit to hiring or promotion programs.

Government's role should be to ensure equality of opportunity rather than the equality of results in the public sector. It is government's responsibility to provide a standard of secondary education which is accessible to all, local responsive post–secondary institutions, affordable student loans based on need, bursaries and scholarships based on need and excellence, sensitivity training in the public sector which supports inherent equality, dignity and worth of all.

We should ensure that laws against discrimination are enforced. Government should lead by example, by laying out objective testing regimes, by broad based advertising of all job postings and by offering facilities to accommodate disabled people wherever they may work. As Madam Justice McLachlin pointed out, the protection of individual human dignity and freedom is important for all.

• (1215)

We are not all equal in ability. Those who wish to pursue education or a vocation should not face discrimination barriers. Those who pursue this course deserve to reap the benefits and rewards of hard work.

Clearly, legislated equity does not achieve its goals. It is costly and it is unfair. Merit should be the sole hiring criterion in an environment free from arbitrary obstructions to hiring or promotion. Merit must be restored as the sole basis for hiring and promotion in the public service.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I often hear hon. members of the Reform Party referring to the Ontario Employment Equity Act. Somehow they try to tell Canadians that we are speaking about the same act.

I would like to take the opportunity to clear up some of the misconceptions that have been stated by the Reform Party. I want to put on the record that our legislation specifically prohibits the imposition of quotas. Another fundamental difference is that Bill C–64 takes a unique human resource planning approach. Ontario's legislation is modelled more on a human rights approach with third party complaints. I would point out that under the Ontario system any person can lay a complaint, including interest groups, job applicants, employees, unions, public or private corporations, or any other individual. There is no such provision in our legislation.

With regard to the rules and regulations that govern the two pieces of legislation, Ontario has set out the obligations of employers in considerable detail and there are extensive provisions for detailed regulations. Bill C–64, on the other hand, is much less prescriptive and minimizes regulatory burden by limiting new regulations to just a few essential areas. A criticism of the Ontario act is the very broad regulation making power it confers on people.

There is a substantial difference in just what is covered by the federal and Ontario legislation. The Ontario act has a much broader scope. For example, the threshold for private sector coverage in Ontario is 50 employees while under Bill C–64 it is 100 employees. Keep in mind as well that the Ontario legislation covers about 17,000 employers while our act targets approximately 350 employers, and many are leaders in the business community.

To enforce its legislation Ontario established two new independent government agencies, the Ontario Employment Equity Commission and the Ontario Employment Equity Tribunal. Hon. members know that Bill C–64 will utilize two existing government agencies, namely Human Resources Development Canada and the Canadian Human Rights Commission.

I trust that I have helped to clarify for the hon. member the key differences that exist between the provincial and federal legislation.

If that is not enough, I would like to remind hon. members of some very interesting survey results. Roughly two thirds of Ontario businesses responding to a poll just after the recent Ontario election reported that they are in fact in favour of reforming or keeping that province's employment equity law as it is. The business position is reform it but do not repeal it. Only 8 per cent said they would cease implementing employment equity initiatives if the law is repealed, with 69 per cent saying it would not have any impact on their company's equity plans.

I appreciate this time to make some comments. I think that in this debate it is important that the Reform Party face the facts and the truth.

• (1220)

Mr. Frazer: Mr. Speaker, that was very instructive. However, when we talk about quotas, whether we take guidelines or equity of employment for various groups, we are specifying they are quotas. If we say that 5, 10, 20 or 30 per cent of the population falls into certain categories, the implication is that 5, 10, 20 or 30 per cent will be given jobs based on those percentages. This demeans people. It tells them it does not matter how good you are or how hard you can work or how capable you are, you will get your job because you belong to this group. I think that is not only divisive but also is totally and absolutely unfair.

As I said in my previous remarks, in the study on women it has been found that the practice now instituted in the federal hiring system of giving a certain quantity of jobs to women actually undermines their self–confidence. They think maybe they got their jobs because they are women, rather than because they deserve it, they are qualified for it and are good at it. They measure themselves as inadequate and they feel inadequate because they were given preferential treatment for hiring.

The Reform Party wants equality of opportunity for all, regardless of their race, their colour, their gender, their language or whatever. Give them a fair chance at the job. If they are up to it, they will do it and they will do it well; otherwise, they should not be in the job.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, of course I have to say that I support the hon. member in his position on this bill.

The point the Liberals opposite are missing is the principle of this bill. The principle is the social engineers of the Liberal Party are trying to legislate that businesses in this country will have to enter into hiring practices that will be based on things other than merit or abilities.

This country was made strong by Canadian workers who got their education and their training and did everything they could to prepare themselves to be competitive in the marketplace. They did that and achieved individual rewards as a result. As my colleague has pointed out, this bill seeks to destroy that individual initiative by placing special considerations on special groups. What happened to merit? There is no merit mentioned in Bill C–64.

For this member to tell me that businesses in Ontario are supporting this bill, this employment equity idea, over a fundamental principle of hiring people based on their individual merit is absolute nonsense. I would like to meet a businessman who responded to that survey who would tell me in all truthfulness that he does not care about the merit, the qualifications of the employees, but would rather base his hiring practices on this absurd legislation the Liberal Party is attempting to bring in here.

I ask these social engineers across the way to give us a break. That is not the real world any more.

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, I am proud to be associated with this important initiative, Bill C–64.

I believe the hon. member does not know what we mean when we talk about merit. I have worked with the under–represented target groups for many, many years. In 1984 to 1986 I worked with the Public Service Commission where we instituted a number of initiatives because there was such a gross under–representation of those target groups.

For instance, aboriginal people are the lowest paid on a national average. They are paid less than all of the average working population. If you are a disabled person you are grossly under–represented. It is very difficult for a disabled person who has merit to get a job on a meritorious basis.

• (1225)

These hon. members should be looking for ways to integrate the under–represented people rather than keeping them out and marginalized. Those aboriginal people who make it into the system are still mostly located in the technical and clerical areas. That is a fact and it has nothing to do with merit. Those people have merit. The problem is that they are not getting promoted. Even though they have merit, the qualifications, the experience and the skills, they are being paid less than other people. Talk about inequality. Those are the facts.

Let the hon. members know there is nothing wrong with sharing an equal place in the workplace, shoulder to shoulder with a woman, an aboriginal, a disabled person or a member of a visible minority. There is nothing wrong with that. No one said that if you are an aboriginal person, a woman, a disabled person or a member of a visible minority you have to be stupid or unqualified to make the employment equity program. That is not what this bill states.

This bill states that everyone will have an opportunity because of systemic discrimination and because the opportunities have not made themselves available over 125 years to those people to enter with equality into the workplace. This bill states that they will have the opportunity now. There are still fewer people of those four target groups who are paid as much and who have as many promotions. I do not know why the hon. members cannot accept that fact.

The other day the hon. member for Wild Rose put a rather disparaging human face on employment equity by using his son. I have three children, but I am not going to come out here and plead a case for my children. I have worked to get them an education. They can fend for themselves and work for themselves. This is about broad public policy; it is not about one case.

If there ever was a case, listen to this. In my riding there is an aboriginal man who is now severely disabled. He is an elder in the community. In 1959, along with his four partners, he was working in a sawmill. He was in a serious accident while sawing wood for the government employees in a place called Rocher River. His friend was decapitated and this man's arm was amputated. He made a number of attempts to receive some type of compensation for his loss but had no success. This is an employment equity issue, an equality issue, a human rights issue.

Because this man lived in a harsh and inclement environment he had to rely on his skills. He went to residential school in that area but was not an educated man. He was a trapper. He had children. His children could not pursue or finish their education simply because he needed them to stay home and cut wood, haul water, and do all those things necessary to survive. I am not sure where the system failed. This man's wife has worked all of her life and has no regrets, but it was a severely difficult case.

These are the kinds of things we are talking about. We are talking about having a human mind and heart to the toils and the struggles of the average Canadian. We are not talking about creating gross inequality and promoting people so that they are falling off the top.

This is a very disparaging and discouraging kind of discussion we are having with members opposite. Why is it so difficult for them to understand the struggles of that kind of individual rather than bringing in people who are saying they did not get a job because they are not the right colour? That is not what it is about.

There are people who are disabled, women, visible minorities, aboriginals, and a combination thereof who have severe difficulties. On the national average, when these people make it into the system they do not get paid as much as the person who is already there. They are paid less for the same work.

• (1230)

There is another problem. When they get into the system they are at the bottom. Aboriginal people, for instance, are mostly in clerical and technical areas. They are not in senior management areas. That is changing but very slowly.

We need some help and this provides help, but it does not step on anyone to do it. I challenge the Reform Party to come up with facts to prove that it does. The facts will not bear its position out.

As a country we value diversity. We support our many communities as a source of social stability and economic strength. As individuals too many Canadians continue to face enormous barriers to employment which prevent them from achieving their full potential.

I have met with the disability groups. I have seen those people. I have spoken with them. It is all right to stand in the House of Commons and isolate oneself from that constituency, but sometimes one should go to the source. We as elected members have to go to the source, keep open minds and respond to those people rather than criticize them and stomp on any opportunities they might have.

It is ridiculous. We have to help those people. They have less than we do in terms of opportunities. As a disabled person mobility is a problem and the work environment can be a problem. Those are the things we have to work on.

If people live in high unemployment areas or in areas of extreme poverty as do some aboriginals, they are marginalized socially. They do not have a mode of transportation. There are many barriers facing them. Some are institutionalized; some are systemic. That is true. That is a fact. That is something we cannot deny and we have to face reality.

I spoke about an individual who has endured, who has worked many years on the land with one arm. The individual said to me: "My arm must be worth $100,000". Any insurance company would say: "How can we put a value on the loss of one's arm or any extremity?" It would be putting a value on a life. It would be putting a value on the man's capacity to provide for his children so they can pursue and finish their education and his wife can be there to raise their children with him. That was not made available to that family. These are the kinds of situations that arise out of the inequities, the barriers, the obstacles.

In 1994 the Employment Equity Act annual report painted a depressing picture for people with disabilities, members of visible minorities, women and aboriginal people. Since 1991 employment has declined more severely for employees covered under the act than for employees in the Canadian economy.

In spite of an increase in the population of designated groups fewer of them found their way into the labour market. They are not a threat. Believe me, the jobs are safe. They just want an opportunity to do something, to make themselves independent.

Members opposite on a daily basis wail away about how people have become so dependent, are on welfare and are living off the system. Here is an opportunity for them to help those people to integrate into the system, to be independent, to have self–respect, to have a job and to support their own families.

Members of designated groups still find themselves at the lowest end of the social and economic scale. Not only do they not have the opportunity, many of them are also the poorest. It is not correct that the wage gap between visible minority employees and other full time workers has widened for men and remains almost the same for women since 1987. There has not been that much movement.

I do not know why the intimidation. I do not know why the perverse, twisted language that strikes fear into the hearts of the average Canadian. It is so seductive to speak that way. It is so easy to use colourful, provocative gross language that overstates the case and sells it unfairly. That is not right; that should not be done. Let the facts speak for themselves. There is something seriously wrong when talented, educated women continue to be over represented in clerical, sales and service jobs but under–represented in upper management and technical jobs.

• (1235)

How can we call ourselves a caring and passionate society when we deny people with disabilities accessibility and the dignity that comes with a job? It is a source of national shame that our first peoples account for only 1.04 per cent of the workforce, occupy the lowest paying jobs and are on the losing end of the wage gap when compared with other Canadians.

It is unacceptable that university educated aboriginal young people experience an unemployment rate twice that of their white male counterparts, considering the barriers that face them when they enter high school.

In some places I have visited there is a dropout rate in excess of 85 per cent. Those children who make it into the system, who make it through high school and who make it through university are in an alien, foreign environment. It is different. It is difficult. I have done it. I know. It is difficult for them. They need support. They do not need criticism, opposition and confrontation. Leaving employable people on the sidelines does us all a disservice. It damages individuals. It wastes enormous talent. It hinders our economy and diminishes society as a whole.

Employment equity is quite simply fairness in the distribution of jobs. Bill C–64 is designed to ensure that nobody is denied employment opportunities or benefits for reasons unrelated to ability. Inequality by comparison is a drag on our economy. Passive income support costs all Canadians, not the least of whom are the individuals affected. There is a pressing need for the legislation.

By the turn of the century two–thirds of entrants to the workforce will be from the four designated groups: women, aboriginal peoples, members of visible minorities, and people with disabilities. The country needs the wealth of their talents. We cannot afford to overlook any segment of the population any longer.

Will those two–thirds be the unemployed? Will those two–thirds be the ones on welfare? Will those two–thirds be the ones who are not moving anywhere, not promoted, not given any employment, not given any opportunities?

Those are the real questions to be answered. People are our most important natural resource. Strategies that capitalize on the underutilized capabilities of every employable Canadian are clearly in the best interest of the country.

Employment equity improves the workplace environment and promotes productivity by encouraging a more tolerant and integrated workforce. This is the intent of Bill C–64. That is why I ask members opposite what is so reprehensible. What is so wrong with having the four designated groups standing shoulder to shoulder and sharing the workplace with the rest of the population? That is the way it should be. That is what our country is about.

We are a mosiac. We are not a melting pot. Canada is that kind of a country. We do not try as in the United States to make everybody the same. We are all individuals in the House which does not stop us from respecting one another. We do not have to agree ideologically with each other to respect one another as people. That is not the way the country should be proceeding into the future. That is not the way a country as diverse as Canada will work.

Individuals benefit from contributing to their communities. Canada profits from the skills and strengths they have to offer. In short we all benefit not just in better social conditions which are critical but in realizing our national economic potential. It is good business for Canada to have those people integrated into the workforce. It is good business for Canada and for us as elected officials to have those people independent, integrated, promoted, and to have them utilize their skills and their merits as they should.

• (1240)

We can recreate our country in a way that better reflects us by working shoulder to shoulder with designated groups and by acknowledging the contributions of members of the designated groups to the economic wealth and rich cultural diversity of our country. Every one of us has a contribution to make but we can only make it if we are given the opportunity.

Thank God for the opportunities given to those people. I have seen them work. I have seen programs clearly targeted to those groups and they work. They have given disabled people an opportunity, such as some of the programs where disabled people are integrated into banks and into some other areas. Be they clerical or whatever, they are a start. We know that and are working on another part of it such as promoting those people if they have the capability and the merit to do it. Why not? That is the way it should be.

Employment is the great equalizer. Jobs give us satisfaction, self–esteem and mutual respect. They also give us wages which allow us to provide a better standard of living for our families. Work gives us reason to believe in ourselves and for others to believe in us. This is the equality women, persons with disabilities, aboriginal peoples and members of visible minorities are seeking. We can take an important step toward that goal by adopting Bill C–64 and by doing so help our goal of building a more vibrant economy and a stronger country through a more representative workforce. We can make a positive contribution to Canada by helping disadvantaged Canadians build better lives for themselves and their families.

I appeal to my colleagues on the other side to take another look and to have a more tolerant view of what equality and equity are all about. It is not about rising above the rest, being better than anyone else and pushing people out of the way. The numbers are not there to substantiate that. They are stagnant; there is no movement there. Those people are not a threat. They need our help. We can do enormous good for those people. We can make a contribution to the country by helping them lift themselves up.

I appeal to my colleagues and I appeal to all other Canadians to take a tolerant view toward the bill and those people.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I appreciate the remarks of my colleague. I should like to ask her a question or two.

The minister related the incident about the sawmill accident. I certainly give my regards to that family. I could imagine what a disaster it would be in terms of the family income as well as the personal and tragic loss. I appreciate that the fellow who had his arm amputated was obviously unable to work in the sawmill industry after. The minister said it was a human rights issue. I suspect more specifically it might be a disability issue. Of course he faced that and was unable to work in the same area and provide for his family.

I can be called naive or whatever, but I cannot make the leap somehow logically that employment equity would solve that problem. Could the member enlighten me? I hate to plead ignorance here but it seems incredible to me. If all of a sudden employment equity or Bill C–64 had been an issue, how would it have made life different for him?

Would it not be wiser for that company to say that he had skills in the sawmill business? Maybe he could have been used in a different capacity which perhaps was not so physical that he needed to use his arms. If he had merit, capabilities and competence in the industry, surely they would have been able to work him into that. How in the world would employment equity all of a sudden solve those problems? I cannot see it.

Ms. Blondin–Andrew: I appreciate the hon. member's question. On a professional and personal level I felt the case had to be highlighted and maybe this was the only opportunity I would get as a member of Parliament. It also demonstrates that this person, who is aboriginal and disabled as I emphasized in my speech and members can check *Hansard* if they want, has struggles which are many. Many programs and services are available but not all of them can overcome the struggles.

• (1245)

Bill C–64 may not address this issue. However, I felt it was a very important issue to be raised on behalf of a person who belonged to one of the four under–represented groups or targeted areas. That person has an opportunity to have a voice through me. That happens with many of us in the House of Commons.

I do not have the opportunity to get up to make statements which is something I would have done as a member of Parliament in the previous session. I felt that because this person was a disabled aboriginal person and his case was so specific that it needed a bit of profile. I have provided the opportunity at this time.

In terms of employment equity, if we look at all of the information I have provided, the hon. member will know that perhaps this was stretching it a bit. However, I felt that because of this individual case, which has had very little success, perhaps it would be an opportunity for it to have a bit of attention.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I would like to make the observation that members opposite, in particular the last member who spoke, are confusing discriminatory hiring practices with the term employment equity.

We have laws in Canada that prohibit discriminatory hiring practices. We have laws that prohibit employers from not hiring qualified people because they happen to be a member of a certain visible minority group or because they may be physically or mentally disabled. There are laws which prohibit businesses from discriminating against people based on who or what they are.

This bill ensures that if two people of equal merit, of equal training, of equal ability, apply for a job and one happens to be a member of a designated group and the other one is not, that favour be bestowed on the person who is in the designated group and disfavour be bestowed on the person who is not. I fail to see the logic of the bill.

The government is trying to tell free enterprise how to hire people. The fact is that the government is already in the face of business too much and it is hurting the economy.

The hon. member related a very tragic case. She brought it down to a personal level. I would like to bring it down to a personal level as well.

My oldest son has a learning disability. He probably would fit into one of the designated groups. I expect that my son will become employable because my wife and I are doing everything we can to ensure that he receives training and obtains the ability to become employable, not because he is handicapped in his learning, but because he has the skills to do a job.

I do not want the government to look after my son's future. I want him to be independent. That is why I want him to be trained and to have the ability to hold a job.

• (1250)

The state should not be determining the future of my son. When it does that, it takes away his independence, his ability to function as an independent Canadian, to acquire the skills and to merit getting a job, not because of his disability but because of his strengths.

That is why I am fundamentally opposed to this bill. It will diminish the qualities, the abilities, the training of individuals and will place them in a category that will get them a job because of who they are and not what they are or what they can do.

Ms. Blondin–Andrew: Mr. Speaker, throughout the course of the constitutional talks I learned a very important lesson from Canadians. Treating all people the same does not necessarily express equality. Needs are different based on the individual needs of a person.

I salute my colleague for the efforts he has made on behalf of his son. However, we are not talking about one individual. We are talking about four designated groups. Those groups have a disadvantage in the system. It is not that blatant.

I know there is an appeal process. If a person feels discriminated against he or she can go to the Canadian Human Rights Commission. However, if a person is systematically ignored, not promoted or marginalized year after year and if the statistics bear out no movement for certain designated groups, systemically there is a problem. It is very subtle because employers can ignore employees they do not favour. They can engage in a very subtle approach and make it difficult for employees by ignoring them, by not promoting them or hiring them for other jobs. It is very hard to prove.

As I indicated before, because these four designated groups get paid less and are under–represented on promotion lists, they need our help. That is something the hon. member should think about. It is not to discriminate, not to make more dependent and not to hire people who do not have the talent or merit. It is to

enable those people who have the merit and the talent to integrate into a system that has not allowed them to do so. The doors have been closed and we need movement there. We need to open not only our hearts, but the doors to employment and training opportunities for those designated groups.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I would like to say to my colleague at the outset that I appreciate the fact that there were serious differences in the comment she made and she was, in fact, stretching it. Employment equity is not going to solve those problems. That is in *Hansard* forever more. I do appreciate the case of that family in the north.

This is an interesting debate. I find myself amazed as I look at the charter of rights and freedoms, section 15(1), which states: "Every individual is equal before and under the law and has the right to the equal protection and the equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability".

That seems fairly clear to me and probably clear to everybody else who is listening to this. The Canadian Charter of Rights and Freedoms protects us all, regardless of race, gender, language, ethnic background, et cetera.

I want to know how in the world we can get from that, where the charter protects us, to Bill C–64 on employment equity. Frankly, I have not heard an answer from the government side. I have heard stories, passionate story telling and all kinds of situations where people have talked about individuals. I could relate all kinds of them myself. However, when I hear my colleagues saying Bill C–64 is going to be the answer to all this, there is just no way on the earth that I an convinced and I suspect that most Canadians who are listening to the debate are simply not able to make that leap.

• (1255)

With the protections under the Canadian Charter of Rights and Freedoms I question why we are even debating this bill. There seems to be no reason. It is not going to resolve any situations. It is not going to make people's lives easier. The very institution that should be protecting the fundamental rights vis–à–vis the charter of rights and freedoms of all Canadians is being used to suppress one of those rights. It says: "We will look after this person but we will not look after that one. We will give one special treatment but not for the other, I am very sorry".

Bill C–64 will deny the right to equal protection and equal benefit of the law without discrimination. Once we start travelling down that fork in the road I see nothing but flag warnings and signals ahead that we had better be careful. As was talked about in the Charlottetown accord, once people start saying to particular groups that they get distinct society status, they get special attention because of this or there should be so many women in the Senate, that takes us down a dangerous path where we do not think we could ever get back to that fork in the road.

When I hear the stories being talked about this morning, the alarm bells go off. I have to ask myself where it leads us. It is exactly as we saw in Charlottetown. What road does that lead us down? Are we ever going to be able to get back to that tributary? I really do not think it will help us a lot.

This bill will officially sanction discrimination against non–designated groups. As soon as somebody is designated, then someone else becomes non–designated. As soon as an individual or a group is committed to something, suddenly other people are left out by the sin of omission. Why do we have this obsession in this Parliament to make sure some people are labelled? I am sure my friend the minister across the way does not think it is good or right to label people. Yet here is legislation that he supports where he is starting to label people, then by omission others are left off the table.

There has to be a hint of discrimination displayed against designated groups. If there is, that is when there are problems. Just let there be a hint against those designated groups and the equity control patrol will suddenly swoop in. They are hot on the trail to right those wrongs and impose stiff penalties on the offenders. It amazes me when I think about it.

For instance, why should we have equity police? Heaven forbid, we sit in a Chamber where there are 53 women, which I will talk about a little later. I have heard colleagues, especially in the last Parliament but certainly in this Parliament as well, saying that 51 per cent of the population are women so 51 per cent of members of Parliament should be female. That is ridiculous. Later I will talk about the fact that I am a female MP but I will do it on ability and competence rather than just on the fact that I am a female.

The equity police are to be people going around checking up to make sure that everybody is doing what they are supposed to be doing. Mr. Speaker, you can see that will lead down a road to trouble as well. Imagine if someone were on you all the time saying: "I do not think he is doing the right thing. I think his hiring practices in his House of Commons' office are questionable".

Mr. Speaker, can you imagine the fear, the nervousness, the sense of being watched that you would feel? I am sure you have read *1984* where George Orwell talks about how the thought police are going to be on us all the time. Although I do not want to sound like an alarmist it seems this legislation provides a possibility for that. It may be setting up these equity police. They will be going around making sure that everybody is hiring the right people and doing all this stuff in their offices.

The human rights commission is to be the overseeing group that looks after this. It will send in the equity police to make sure that everything is going according to Bill C–64. It is interesting to note that absolutely zero funding is to be given for that.

Suddenly this new bureaucracy or group is being set up that says: "We are going to have the equity police to make sure that everybody is hired properly. Maybe there is just the right number of people at the table; maybe the House of Commons staff can be broken down just fine". It is impractical. It is divisive. It is not going to work.

I get to these equity police. Dear knows how they are going to be assembled. I am not sure. I suppose they would have to fit under the right group. Who polices the police in this situation? There is zero funding for this bunch that will work under the human rights commission. How in the world are we ever going to be able to police such a thing?

We want less government. We want people to walk around in freedom, to be able hire who they think will do the best job for them and make sure that everybody is going to do the best he or she possibly can.

• (1300)

Knowing there is always someone trying to run a business, a government department or whatever, there is nothing that would make any of us, whether MPs, senators or whatever say we are really nervous and we want to make sure all the right things are being done. I am not sure the people who will be equity police will have the qualifications to do the cop job the government will be asking them to do.

The most amazing thing I find about this piece of legislation is with regard to the province of Ontario. This is not my home province but I visit here from week to week with my job. What an incredible turnaround when the socialist government, which was in power for several years, was thrown out on its left ear in June because of the Conservatives and Mike Harris and all he stood for. My friends will remember that just last year even a socialist NDP government in Ontario could not get this type of legislation through.

I know my friends over here are in full favour of Bill C–64. I have a question for one of them from Ontario. If the NDP socialist government in Ontario cannot pass employment equity legislation, how in the world will the Liberals do it? I know my friend from Broadview—Greenwood is very concerned about this. Although he is from downtown Toronto, a hair bigger than my hometown of Heinsburg, I would like him to answer the question seriously. Will it solve the problems? Will it make sure people have employment? Will it help the employment situation? I know numbers in employment are important to him.

He says it will and I have a great deal of faith in him, but I am not sure we can make this leap of logic that it will make a whole lot of difference. If an NDP socialist government could not even get it through, how in the world will it fly across the country? It will not.

We have seen what has happened to the NDP and socialism. I can remember in the last Parliament I used to sit back there and the NDP was down here. What is happening worldwide? There is a move away from that government interference in our lives. We now see the NDP as a fourth party in the House. We will see that continue to move away. It has happened in Ontario and right across the country.

Hiring habits are wonderful but as soon as someone tells us we have to do this or they will come after us if we do not, we know even in our human nature that as soon as someone says we have do this they are toast. It is as simple as that. It did not work in Ontario and it simply will not work here. Employment equity legislation flies in the face of the merit principle.

Is the Revenue Canada document "The Employment Equity Action Plan for 1995–96" a start or is it the be all and end all? Will 1995–96 be the big watershed year for employment equity or will it be the start of something that leads us down the path of divisiveness and danger?

A really good example in this document states how hiring quotas would work, quotas being what we are talking about. The government is refusing to acknowledge that. It says it is not talking about quotas or specific numbers. It is numbers, it is quotas and it is tokenism that we are really talking about here.

Under women the document states females are under–represented in certain occupational groups, namely auditors, managers and senior managers. The solution to the problem is the following discriminatory statement from the document: "Consider only female recruitment when external hiring is undertaken as an ongoing policy".

If the men in the Chamber cannot see through that, surely the women can. Can anyone imagine anything so pathetic as somebody saying we should consider only female recruitment when external hiring is undertaken as an ongoing policy? That is absolutely ridiculous.

Let us look at our own situation in the House of Commons. I am a woman involved in politics. I represent one of the 53 women MPs out of 295. We are under–represented in the House of Commons but let us keep working on it. There were 40 women in the last Parliament. We are 53 in this Parliament. My friend over here is a new MP which is great because we have more numbers. Would she not sooner work with a smaller group of really committed, class act, competent women rather than having 51 per cent of the MPs here elected just because they were women?

Let us look at people who have some abilities in this place. I said this before in the Chamber and I am not ashamed to say it again. If I go anywhere in my constituency and say: "Hello, Mr. Mills, my name is Deborah Grey, I am your member of Parliament, I am your Reform candidate, please vote for me, I am a woman", I would expect him to take me into his house, sit

me down, give me a cup of coffee and say: "Come on now". It is incredible. That is what this legislation would lead to.

• (1305)

Mr. Speaker, you know as well as I do because you sit with the governing party and you were here in the last Parliament, when people were getting ready for nominations—remember the wrangle before the 1993 election—some women in this party, in the NDP and, bless it, the memory of the Conservative Party anyway, did not even have to go through a nomination process. Certain women said certain ridings were for them. They did not have to go through a nomination process because they were anointed or appointed to that. My friends know this. There is absolutely no way they can deny it.

A few women in the House got the nomination by acclamation. Is that right? Is that employment equity? Absolutely not.

I would like to think that I and the two women sitting in the Chamber right now won the election because we are competent. Is that agreed? Absolutely. They had some skills and they had some ability and they would be effective members of Parliament. It is not just because the leaders of the parties said they think we should have so many women. The NDP gives extra funding for people.

There were nomination meetings held at which some men were told they would not get the chance to run because certain seats, NDP, Liberal or whatever, were designated for women. Let us look at the numbers and see how effective that was. Many people were nominated. I do not know the number of women nominated in ridings who did not actually win their seat, but I do know my numbers of women elected.

For the Liberals, 36 out of 178. That represents 20 per cent of their caucus. We appreciate that and we celebrate it, up from 13 per cent. I suppose that is a great start. It is interesting that it was up from 13 per cent but they did not have employment equity to do it. Of the Bloc Quebecois, eight out of the 53 are women, 15 per cent. For the Reform Party, we are seven women out of 52, 14 per cent. The NDP elected one, 11 per cent of its nine members. As for the Conservatives, their numbers are quite interesting. Fifty per cent of their caucus is female and I certainly respect them for that.

A record was set in 1989 when 100 per cent of the Reform caucus was female, myself of course. Do members see what we can do with numbers? It is absolutely ridiculous.

The sad part was there were so many more women who were candidates in that election. They did not win their seats for the Liberal or the governing caucus. Why? So many of them were told they would be run in such and such a constituency. They knew they did not have a hope.

Somebody said they were spear carriers for that, not even dreaming they would ever get the seat. It is true. I know of a couple of situations in B.C. in which some NDP fellows wanted to run for the nomination and could not. I think they had a pretty good idea they would not win the seat. Reform took most of the seats across B.C. except in the lower mainland.

Nothing would be more pathetic than if my party leader or someone else came to me and said they were going to put me in here. They would like me to run in such and such a riding. They do not think I have a chance of winning but they want a woman in that seat. I would say no, forget it. I do not want any part of that. If I cannot run fair and square regardless of my being a woman, I will not participate in something like that and I hope these people would say the same thing.

One of my heroes of this place is Agnes Macphail. She was cool. I am sure all the women and men in the House would agree she was a wonderful woman. She was the first woman ever elected to this place.

I was nervous in 1989 as the only Reformer and some of the new members of Parliament may have been nervous because this place is inspiring. We were all awe struck when we came.

Agnes Macphail was elected in 1921 for the Progressive Party. She sat with the Progressives from 1921 to 1935 for the constituency of Grey South East. She then moved to the CCF and was the member for Grey—Bruce as it was called then from 1935 to 1940.

• (1310)

If Agnes Macphail were here today, I would love to hear what she would have to say about employment equity and that the government is trying to push through Bill C–64.

They did not have the blessing of microphones in the Chamber then so one had to speak loudly to be heard. The best line I can remember from Agnes Macphail, truly my hero, was when one male member of Parliament said: "Agnes, have you ever been mistaken for a man in the Chamber?" She said: "No, have you?"

That is a class act. I do not think employment equity would have helped her a whole lot. I think she would be absolutely scandalized by Bill C–64. Someone asked her if she had ever been mistaken for a man. What a ridiculous thing to ask. We have come a long way since then.

This morning I was at the Governor General's residence for the presentation of the awards to six women who did a wonderful job in the Persons case with the famous five from Alberta. It was a wonderful ceremony. I am not sure why my friend is laughing across the way. It is a pity she was not there because these are great women who were awarded the Governor General's medal today. It was excellent. They have all done work on the Persons case and they were all being rewarded for the work they are doing.

It was interesting when they gave us the history that Nellie McClung, Emily Murphy and all those wonderful women from Alberta in the 1920s were not even recognized as persons. They took it to the Supreme Court and it was turned down. They did not even get to be called persons. Then in 1929 they took it to the privy council. They went to Lord Chancellor Sankey in England, trying to get overturned the ruling that said: "Women are persons in matters of pains and penalties but are not persons in matters of rights and privileges".

Emily Murphy found that a bit hard and somebody challenged her because she was a magistrate; imagine, a magistrate in Alberta. They challenged her that she was not a person. Five people were allowed to appeal that and away these women went. On October 18, 1929 they were granted by Lord Chancellor Sankey to be persons.

I find it pathetic that somebody has just snorted here and thought this was a real laugh. I want to honour these people for what they did back in 1929. Because of that, she was and I am able to sit in the House of Commons. We are treated as persons. Then of course women got the vote after that.

This is the kind of stuff that is important. I would like to know what those women would think about it. Emily Murphy challenged married women's property rights. If a woman had property with her husband back then and her husband died, she would be tough out of luck. She would lose the title to that land.

Things have come a long way since that day. I really appreciate that. We need to celebrate that. I do think this legislation will take us down a very dangerous, divisive road down and we will be sorry we cannot turn around.

Again I tell my colleagues across the House that as hilarious, scornful, mocking or whatever they think this is, they need to be aware that it will not solve the problems. The NDP could not pass it in Ontario. It will get rammed through the House of Commons but there will be waves and repercussions making it very frightening for people across the country.

Employment equity will breed resentment because it will be assumed that designated groups attained employment not by the merit principle but by legislated coercion. It will label designated groups as being inferior and unable to compete on a level playing field. It is patronizing, hierarchical and elitist. It assumes designated groups need a higher order to run interference for them. It is wrong. It is bad. I am really sorry the government will ram through Bill C–64.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, my colleague mentioned Agnes Macphail. I am presently reading the memoirs of Eugene Forsey. For members who do not recall Eugene Forsey, he was a force of the New Democratic Party. He had a strong ethic for fairness in Canadian society when this was an important thing for people to be doing, as it is today.

• (1315)

In the memoirs of Eugene Forsey he recounts a tale of Agnes Macphail. Members will know that Canadians watching this debate on television do not realize that just outside the Chamber of the House of Commons is a bust of Agnes Macphail. Every time we walk into the opposition lobby we can see the bust of Agnes Macphail.

When Agnes Macphail was at the founding convention of the CCF in Regina in the 1920s there was a motion put forward at the convention in the true socialist manner stating that 50 per cent of all people sitting on committees within the CCF would be women. Women would have employment equity within the party. There would be a balance. No matter what committee it was, 50 per cent of the members would be women.

It was reported by Eugene Forsey that the shortest speech ever made by Agnes Macphail was when she spoke to the convention. She said that she had achieved what she had achieved in her own right, not because she was a woman. It did not work for her and it did not work against her. She wanted to be judged as a person who was capable of achieving her own ends in her own right. She felt that was the appropriate way for all people to be treated.

I thought I would share that little anecdote with members.

I do not suggest that the Liberals have evil motives in bringing this forward. I think their hearts are in the right place, but I do not think their minds are necessarily connected.

I would ask my colleague from Beaver River if she would comment on the notion that perhaps we should be putting our energies into the prevention of discrimination and we should be using the facilities of the country to educate rather than to legislate. What we really have to do is talk about how we can have values in our country, values all Canadians can share, which have to do with the prevention of discrimination and the fact that we are all of us equal Canadians, no matter when we arrived here, no matter the colour of our skin, no matter our gender. We should be addressing the values, we should not be writing laws.

Miss Grey: Mr. Speaker, I appreciated the story about Agnes Macphail. She realized that we are not going to get anywhere by somebody saying we are going to give Agnes special treatment or we are going to give babysitting money to someone when they are running as a candidate.

When I ran as a candidate I ran thinking that somebody somewhere might elect me on the basis that they thought maybe I could string two or three sentences together, that I love my country, and that I am committed to being a member of Parliament. I am glad to say that it happened not only once, in 1989, but again with a larger majority in 1993. I appreciate that, but never once would I be able to go around and say I am a woman, so elect me or re–elect me; or that I am getting special funding from my party; or if somebody wanted to challenge me for the nomination in the constituency of Beaver River that my party leader would say: "No, you are not able to challenge Deborah because she is the sitting MP and I want her there". That is ridiculous.

We need to encourage wide open nomination meetings for people who want the job. It makes for a good race and it is democratic. What could be worse for true democracy than a party leader saying no, sorry, you cannot run because I have so–and–so and she is going to run in this riding?

We have to put our energies into educating people. That is far and wide the most beneficial thing we can do. We are not going to legislate all the problems out of Canada. That is simply bizarre. We have seen any number of times that it simply does not work. It does not work when a government says we know best and we are going to do all of these wonderful things, especially when the whole idea of employment equity has just blown up in its face. The Ontario members know that. They just saw in their own province that it did not work.

• (1320)

How do we think we can legislate these things? We have to spend our time educating. That would involve such things as starting here in the House of Commons, where we would not see political hanky–panky going on and party leaders engineering and telling us who we will have as candidates and as MPs. Surely the House of Commons would be a good place for education to start.

Some Wednesday, because almost everyone is here for question period, I would love to see a show of hands from people who did not have anyone challenge them for their nomination. Would that not be a great educational tool to see how many people were anointed or appointed as candidates? I bet members would be too ashamed to put up their hands. I know I would.

If my party leader said: "Deb, we are going to put you in here and no one else can run against you", I would be ashamed. If a news reporter ever asked me how many people challenged me for the nomination, I would have to say there were going to be two or three, but I was anointed as the candidate so they were not allowed to run. Can you imagine how pathetic that would be? Imagine the signal that would send to the rest of the country. My friend knows about it. What kind of signal would that send to the country? It is pretty pathetic. Those are the kinds of educational things we need to get going.

I would like to correct something I said earlier about the fact that there would be employment equity or equity police for those of us who are hiring our staff. I was wrong on that and I admit it. But this bill does not even extend to the House of Commons. I ask some of the experts over there if I am correct on that. Does it extend to the House of Commons staff?

Could anyone, even in the gallery, explain to me how in the world the House of Commons becomes exempt from this? Well, it is good enough for everyone else in the public service, but this group is exempt. By the very fact that the people who are working here are exempt from it, we have the sin of omission again. As soon as there is a sin of commission because we commit names and groups to people, then there is the sin of omission and it does not even extend to the House of Commons. I think people watching us on television today should be well aware of that. It is absolutely incredible that the House of Commons is exempt. All of a sudden we are special again.

If anything takes us down the road of something that is dangerous and divisive, it is that it is good for everybody else across the country but we are exempt from it here. It sort of makes me smell the MP pension issue all over again, as a matter of fact. We are cutting out all the pensions for all these people and we are sorry that we have to lay off 45,000 public servants, but we MPs will keep our pension plan. Instead of $6 to $1 for employer to employee contributions, we are just cutting back, folks. We are just slicing the fat off this. Now our employers are only going to give $4 to $1. So MPs are exempt.

There is another group of people who all of a sudden become special. I am sure my friends are well read and I am sure they remember the novel *Animal Farm* by George Orwell. I am sure they will remember the phrase in there that all animals are created equal but some are more equal than others. If anything smacks of that, it is Bill C–64. If anything smacks of that, it is the MP pension plan, which no other person in the country is able to get.

My friend the President of the Treasury Board knows it full well. I have spoken at public meetings and I know he has as well. If he had asked for a show of hands from any of those groups he spoke with asking if anyone qualified for this kind of a pension plan, there would not have been a hand up in the place. But it is okay to tell everyone else across the country they have to tighten their belts.

My friend over here just hollered out that I was going to get $100,000 instead of $1.4 million that I am eligible to collect. I do not know where he got that number. Let me put it on the record that I am getting back only the contributions I have made. The President of the Treasury Board told me: "You take all of your pension or you take zero". Those were my options. He would not even grant me a one to one contribution like anyone else would get. We were exempt from the federal civil service pension plan, that act where the employer would have to put in at least 50 per cent of the money. I am not getting that. I am getting back $32,000 of my contributions at 4 per cent. No mutual fund would ever give that little money since 1989. I get $32,000 back that I can roll over into my RRSP, and some $16,000, much like

he gets, except he is not rolling it anywhere, except into the trough for a very large pension because we are about the same age. I get $16,000 back, which I will have to pay tax on at 46 per cent, which is my tax bracket.

• (1325)

There it is. If it were a hundred grand I would love it, and I would do what I could with it, but because I have opted out of that pension plan, I will be exempt. I know I will certainly sleep with a clear conscience, knowing that at least I am not ripping the taxpayer off for that much money.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I am pleased to rise as a co–sponsor of this piece of legislation, in so far as it relates to the federal employees, the Public Service of Canada.

Let me first of all express my gratitude to my colleague, the Minister of Human Resources Development, for bringing forward this legislation, bringing the private and public sector together under one piece of legislation, and for members on the Standing Committee on Human Rights and the Status of Disabled Persons for their significant contribution to the debate.

[*Translation*]

The committee's main report reflects the collective wisdom of those who testified.

[*English*]

Together they described employment equity as a sensible and balanced measure that strengthens our social fabric.

Canadians have an excellent understanding of what equality is all about. They appreciate that for there to be a harmonious and well–balanced society, all of its members must have an opportunity to contribute to it as well as share in its benefits. That is what employment equity and this legislation are all about.

Employment equity has been criticized, we have heard it in just the last few minutes, on the grounds that it introduces discrimination into the workplace. In fact, the opposite is true. Employment equity helps individuals compete for employment on an equal basis. Nobody receives special advantages, nobody receives special privileges under this legislation. To claim that anyone does represents a serious misunderstanding of the principles involved in Bill C–64.

Employment equity simply seeks a diversity in the workplace similar to what can be found in society. Therefore, we must remove barriers to employment opportunities to better reflect the population as it is today. These barriers are frequently buried in systems and longstanding practices.

For example, if for no particular good reason except tradition all police officers must be six feet tall, then most women could not compete. This sort of systemic barrier was once commonplace in this country, yet there would be few today who would argue that it makes much sense now, if in fact it ever did.

Let me give another example, rather less obvious perhaps. If a recruitment or promotion board were composed of three people, all males, all graduates of the same university, and all about the same age, one could be forgiven for wondering if this board would be much open to the perspectives of persons with different values, different experiences, different traditions. Selection boards require greater diversity to ensure that no candidate's talents are overlooked.

We must take measures to encourage equitable access to opportunities for employment and opportunities for advancement in the public service. This may mean, for instance, establishing training positions, so that those who are disadvantaged can develop skills and acquire experience to compete on an equal footing. When we make full use of all available human capital, then our society will truly benefit.

[*Translation*]

The face of Canadian workers has changed.

[*English*]

It has changed dramatically. Women, aboriginal peoples, persons with disabilities, and people in a visible minority now represent the largest share of new entrants to the labour market. In just 10 years the representation of women in the labour force has risen from 40 per cent to 45 per cent. This 5 per cent shift represents some 750,000 women. Employment equity helps the labour market adapt to changes of this magnitude.

• (1330)

It might be helpful to speak in more concrete terms about creating an environment that takes advantage of diversity. The Public Service of Canada is a good example. Diversity within the workforce means more than just having people of different backgrounds working together. It is not enough to hire an employee with a disability without helping to build the employee's relationships with his or her colleagues. It is not acceptable to ignore the support and training that women need to advance within an organization. Diversity within an organization calls for the acknowledgement and accommodation of differences.

The Treasury Board has issued a publication called "Alternative Formats Access for All". It provides guidance on how to produce material in alternate formats for persons with disabilities. An alternate format might be large type on a page or a cassette recording of printed material. The alternate format not only helps public servants but at the same time better serves the public.

The Treasury Board has also published a series of best practices as well as guides to assist public service managers to implement employment equity. Two most recent best practices that have been published deal with women and persons with disabilities. Both draw on practices that have proven effective in a range of organizations across the country.

Also we have just printed guides concerning the management of employees with psychiatric and developmental difficulties. We have also produced guides with respect to retention of aboriginal employees.

To ensure that employment equity is implemented effectively, departments and agencies must prepare an employment equity plan with goals and timetables. These are not quotas but goals they will strive to achieve. However the merit principle still prevails.

The plans are public documents as are the reports on what has been achieved under them. The plans will not be effective unless they build on the advice that the diversity of employees can provide. Some of this advice is provided by consultation groups reporting to the Treasury Board but much of it comes from advisory committees set up within departments.

The views of the public service unions are also important. I want to acknowledge the spirit of co–operation that inspires public service unions on employment equity matters. We are mindful of the need for continued collaboration with them. We are confident the provisions of the legislation will bear fruit.

We have established the framework to help the advancement of employment equity in the public service of the nineties. The framework places employment equity firmly within the practice of good human resources management and business planning. The legislation in front of us will continue to provide a solid legal foundation. It is not a radical break from the past; it is indeed a bridge to the future.

It is important to remember that although we tend to speak of diversity in terms of groups the focus is actually on the individual. It is not the group that is recruited as a filing clerk or that is considered for promotion to executive ranks. It is one particular person. Can anyone object to the need to reach out to all members of society based on their individual qualifications and merits? Some people would argue that employment equity encourages candidate selection to be made on the basis of sex or ethnic origin or a disability rather than merit. I beg to differ.

As a matter of fact the essential point is that appointments to the public service are governed by the Public Service Employment Act which enshrines the merit principle. It is far different from the kind of legislation that was talked about earlier by the member for Beaver River with respect to the province of Ontario. Our act enshrines the merit principle. The administration of the act rests with the Public Service Commission, an independent agency that reports directly to Parliament.

Progress in the area of employment equity has been made in full respect of merit. It is the principle on which a non–partisan, highly professional public service has been built. This cornerstone of human resource management will not be eroded.

• (1335)

Employment equity is not about preferences. It is a method of creating a fairness that might not otherwise exist. Several years ago the Conference Board of Canada issued an interesting paper on employment equity. The introduction revealed that women, visible minorities and persons with disabilities make up close to 60 per cent of the new entrants into Canada's labour force. It then went on to say that the full participation of these entrants to Canada's labour force constitutes a vital resource and that their full participation in the workplace will be fundamental to the ability of organizations to understand and respond to the needs of the rapidly changing marketplace. That is what the conference board said.

To achieve this goal organizations need solid policies and fair practices. For example, the same board found that if we want to attract minorities it is a good idea to advertise job openings outside the mainstream media and put them into the ethnic media. The conference board finding related to culture was of significance because organizations which implement interviewer training considered it a particularly effective measure in raising employment levels for designated groups.

I have made it clear that employment equity is not about introducing discrimination. It is not about reverse discrimination in the workplace. Rather, employment equity is about providing opportunities by removing barriers and establishing policies and programs to address the needs of designated member groups.

[*Translation*]

Employment equity is about including everyone, not excluding certain individuals.

[*English*]

No one should be excluded from access to employment opportunities for reasons unrelated to competence, for reasons unrelated to ability. That is what Bill C–64 is all about and that is why I stand to support it today.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I listened with great interest to the comments of my colleague opposite regarding the legislation, in particular his comment in our other official language which I thought was very well done. While I appreciated the language I sure have a problem with the content.

It is interesting the minister opposite just finished talking about how the employment equity legislation has fairness as its cornerstone, has no quotas and has to do with providing opportunity, not providing opportunity to people specifically because of their race, their gender or the colour of their skin.

Let me read into the record from the employment equity guide of the Department of Justice some of the non–quota targets. The heading of the chart is "New Employment Equity Targets". They are not quotas. They are targets. The legislation will make these targets into quotas because it has penalties for companies that do not meet the target requirements. Somehow that seems like it could be a quota. As a matter of fact the legislation repealing the Ontario employment equity act of 1993 which the Government of Ontario is using is the job quotas repeal act. It is strange, is it not?

In any event I will quote from the employment equity targets in a Department of Justice document: "Women by occupational category, promotions 93 per cent; aboriginal people, promotions 1.7 per cent; persons with disabilities, 2.8 per cent; and visible minorities, 2.7 per cent".

• (1340)

I will continue: "Recruitment for aboriginal peoples, 2.2 per cent; persons with disabilities, 2 per cent; visible minorities, 4.4 per cent. Recruitment for women, 43.8 per cent; administrative, 39.9 per cent; technical, 49.3 per cent".

I ask the minister opposite whether these numbers that are targets have the force of law behind them and a penalty for non–compliance through the equity police of up to $50,000 if companies are not in compliance. What are they? Are they quotas or targets? If this is not a quota, what is?

The Acting Speaker (Mr. Kilger): Before giving the floor to the hon. minister I advise the House we have now passed five hours of debate at third reading of the bill. From here forward members will have 10 minutes without questions or comments when we resume debate on the bill.

Mr. Eggleton: Mr. Speaker, numerical targets have long been established as part of employment equity programs. They are not quotas. It is not the same as the American system where they are obligated to try to reach certain numbers. They become goals; they become objectives. However for various reasons they may not be able to be met. If an honest try or an honest effort is made and they cannot be met, there are no fines involved in that.

It is expected that an organization will take a look at its composition to see how it relates to the workforce in general and will take some measures to try to have a balanced workforce. That is what we are trying to do here. We do not have that at the moment.

In terms of aboriginal peoples, people with disabilities and visible minorities, they are under–represented in the federal workforce. They are under–represented in the federally regulated companies that are also part of the legislation. We have greater numbers in the workforce. They are having a hard time getting into the system.

The bill is all about giving them the opportunity to get to the door. On their own merit they still have to make it into the job. None of that has changed in terms of the principle that guides the employment service act of the federal public service.

Targets become a goal and objective. I am sorry the member does not understand that. It has long been established. I can remember when I was mayor of Toronto that we established those kinds of goals. Sometimes we made them and sometimes we did not but there were reasons why we did not. People put out the best effort they possibly could.

Over time we make progress. It will not happen overnight, particularly now that we are into downsizing. It takes more time to reach the goals. It helps us to focus without getting into quotas, without in any way abandoning the merit principle. It does not relate to the province of Ontario legislation which it has now decided for whatever reasons to repeal. This is not the same kind of legislation at all. This clearly upholds the principle of merit.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, it was rather ironic that the President of the Treasury Board would stand to tell us that this is always about merit. When we think back to his nomination we think of the fight he had. He was picked by the Prime Minister to fight the election in his riding rather than having to go through the competition of a real nomination process so that he could demonstrate to his constituents that he deserved their merit by winning the nomination.

I would like to ask a question of the President of the Treasury Board. If he is to try to achieve these quotas or targets that he speaks about—he can choose his word—basically he can influence only two opportunities in the make–up of the federal civil service: first, when people are hired and second, when people are fired. He has no control over those who go of their own volition.

Does the President of the Treasury Board intend to advance the civil service toward achieving the targets he talks about through the early departure incentive program, through the early retirement incentive program, where he will end up with a different ratio or mix in the civil service as we advance toward the numbers and targets he has set out?

• (1345)

When he and Treasury Board go through this exercise of downsizing, are those who dominate the civil service at this time likely to find a pink slip on their desks because he wants to move toward achieving the targets that he has set out?

Mr. Eggleton: Mr. Speaker, the nomination process in York Centre has nothing to do with employment equity goals. However, I have fought and won a lot more elections than the hon. member has ever even thought about, some 11 of them. In this past election the people of York Centre gave me a plurality of somewhere over 20,000. I won every single poll. The voters of York Centre spoke quite well, as they have in most parts of the country, by electing a very solid Liberal majority government to represent every aspect of the country, not just some portion of it.

With respect to the downsizing, we are not being detracted in terms of the employment equity goals by that. It is obvious that a lot of people in those four target groups are going to be part of the downsizing. Given that we operate on the merit principle would indicate the reverse order of merit as being paramount in that case.

The situation is being monitored very carefully to try to maintain the numbers as best we can. After all, we do not have enough aboriginal people, the disabled, or people who are in the visible minority groups, as well as women in executive groups. Therefore, I do not want to make the situation any worse if we can help it by staying within the principles of merit which the Reform Party keeps telling us we should. We are monitoring the situation carefully.

I am pleased to say that as a result of the report issued last week by Treasury Board, of the over 8,000 positions that had been removed, there has been no change of that balance. In fact in some of the groups a little bit less has been reduced. The one exception to that would be people with disabilities. This would be largely because a number of them are going out under the early retirement incentive, people who are closer to retirement age perhaps, more than disabilities, but those are people who are taking a very conscious, positive decision about leaving.

I am very pleased to say that of the over 8,000 people who are gone and in particular those who were in the indeterminate or permanent positions, none of them went involuntarily. They all went voluntarily. That shows we are trying to treat people who are departing the public service in a fair and humane way, as well as those who continue to stay to operate the programs and services.

After all, we have to bring about that reduction. We do not particularly like it. The hon. member is critical of it but, at the same time, he and his party are critical of the deficit. This is all part of getting our fiscal house in order and reducing the deficit. We are treating people in a very fair and reasonable way. We are keeping a very close eye on our employment equity goals at the same time.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I am pleased to rise today to speak about Bill C–64 dealing with employment equity.

Equity is one of the most important things that Canadians should, and I believe do, stand for. However, there is a major difference between the equity being proposed by the government and the equity Canadians would like to see.

I think back to the pioneer days and the days the west was developed because I am from St. Albert just outside Edmonton. Equity back in those days was opportunity. If we are going to talk about equity we should always talk about opportunity rather than results. Tens of thousands of people came to this country, and still do, for the opportunity to succeed, the opportunity to prosper and the opportunity to make the mark that would have been denied them in other countries. That is the type of equity I believe Canadians want.

Through the hard work of pioneers, they built a country of which we are proud. They built a country that recognizes the equality of all our citizens. That is one of the great platforms of the Reform Party. It says we are not into hyphenated Canadians. There is only one kind of Canadian and that is the ordinary Canadian who works hard and makes the country work.

• (1350)

A letter on employment equity appeared in the Edmonton *Journal* a few weeks ago. In some ways one might think it superficially drew the situation out to the extreme. It talked about the hypothetical situation of an Olympics with men and women being equal. Of course 51 per cent of race winners would have to be women and 49 per cent men. How would that be achieved? By putting weights on the legs of the men and so on. While the point is ridiculous there is a moral to this story. To have equality of results, somebody has to be penalized. That is the point I want to drive home. To have equality of results the obvious winners have to be penalized in order to allow others to win their share.

Our position is that rather than penalize the winners, we should do our best to give everybody the opportunity to win through education. It is education that determines whether or not someone is going to succeed. It is not because they are black or white, or male or female, or handicapped or crippled, or whatever. The point is if they are educated they have a chance to succeed.

Last week, a study was released which indicated that of the top 10 per cent of income earners in this country the vast majority attributed education to their success, not who they were, not what they were, not their family background, not whether they came from a rich background. Education was the dominant factor which determined whether they were able to succeed or not. That is why the House should focus on making sure people have the opportunity to succeed through education, not by introducing quotas that will penalize those who have the

desire to succeed, those who have the willingness to work hard to succeed, those who go far beyond the others and want to succeed. Why hold them back? Unfortunately that is the nature of the government's way of doing things.

We want to ensure we can get back to the days where hard work is equal to prosperity rather than having it guaranteed by government legislation.

If failure is to be eliminated, as this legislation tries to do in many ways, it comes at a cost. The cost of eliminating failure is equal to the price of success. If we do not let some people succeed because we want no one to fail, then we will bring everyone down to the lowest common denominator. We saw what happened in eastern Europe in Russia. They refused to allow anyone to succeed and the whole country failed.

While this legislation is but one small piece along that road, Reform Party members feel that Canadians will be far better pleased and a lot more confident that this country can dig itself out of the hole if those who have the will to succeed are allowed to move ahead and help the rest of us and to provide education to those who need to get their feet on the ladder.

I have a constituent who has been in to see me several times. He would like to be a Mountie. In the west the Mounties are a revered police institution. Everybody knows the Mounties. They are known throughout the world as that great Canadian police force. They are recognized and revered around the world.

This constituent wants to be a Mountie. Every year he does 600 hours of volunteer police work with the RCMP. He sat the exams and met the minimum standards. He has a university education. The only thing that stops him from being a Mountie is the fact that he is a white male. Other family members are in the force. He would dearly love to be in the force but because he is a white male he cannot be what he dreams to be. That is because this government brings in what it calls targets, which I call quotas, and denies someone who would be a first class policeman. We have denied him his dream.

• (1355)

That is why we have to recognize that this legislation is out to lunch and the fact that we need to build people up, not hold them down.

This past week while we have been away I attended three graduation ceremonies in my riding. At a couple of them I presented the Governor General's award. I had an opportunity to talk to people about education. I cannot encourage them enough because in this complex and technological age we live in we need all the education we can get.

If we tell people that it does not matter how much education you have, how much motivation you have, how much will you have to succeed because you just happen to be in the wrong category, then we are sending the wrong message to young people and we have received the wrong message from the people who built this country. In many ways that is part of the reason we are so far in debt. We have lost our way and that is a great shame.

In an earlier debate the member from Beaver River talked about the fact that this legislation is going to be forced on businesses, forced on the civil service, but the House of Commons is exempt. Why would the House of Commons be exempt? Why would we in typical fashion tell the people to not do as we do but just do as we say?

This is why the Reform Party is totally opposed to this legislation. I would gladly support anything the government would do to ensure that education became the reason for equity.

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

STATEMENTS BY MEMBERS

[*English*]

ROYAL MINT

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, as the member for Churchill, the polar bear capital of Canada, I would like to commend the Royal Mint for choosing the polar bear to appear on the back of our new $2 coin.

In addition to being a distinctly Canadian symbol of strength, the polar bear also represents one of Manitoba's best known tourist attractions. I would like to invite all members of this House and all Canadians to come north to Churchill and see for themselves the inspiration for Canada's newest coin.

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[*Translation*]

QUEBEC ECONOMY

Mr. René Laurin (Joliette, BQ): Mr. Speaker, according to this morning's *Le Devoir*, the American computer industry giant, Ameridata, intends to increase its share of the Quebec market, regardless of the outcome of the referendum. The president of Ameridata Canada, Jan Kaminski, stated that the company was in business, and the results of the referendum were of little importance.

The Toronto firm Falconbridge is not worried about the outcome of the referendum either. It has just announced an investment of $500 million in Quebec. Mr. Pugsley, the president of a subsidiary of Falconbridge, summarized the situation by saying that the company has been doing business in Quebec for 50 years, it was a good place to do business and, as far as the company was concerned, it was business as usual.

Some businesses are responding to the campaign of fear being waged by Mr. Johnson and the no side by deciding to invest.

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[*English*]

CANADA VOLUNTEER AWARD CERTIFICATE OF MERIT

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, as the member of Parliament for Edmonton—Strathcona, I was very pleased to learn that Mrs. Therese Chicoine, a constituent, has been selected to receive the Canada Volunteer Award Certificate of Merit. This certificate is awarded each year to recognize those who have made valuable voluntary contributions toward improving the health and social well–being of their fellow citizens.

Mrs. Chicoine is a key player in both the administration and the delivery of the emergency services response team of the Canadian Red Cross Society. She was also instrumental in the establishment of the unrelated bone marrow donor clinic. Her list of volunteer achievements seems endless and is a testament to Canada.

I know that my hon. colleagues would like to take this opportunity to congratulate Mrs. Therese Chicoine on her award.

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NEW DEMOCRATIC PARTY CONVENTION

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I am very proud today to stand in the House on behalf of the NDP caucus to extend warm congratulations to our new leader, Alexa McDonough.

Alexa was elected at the NDP convention held this weekend in Ottawa. Over 1,800 delegates along with 1,000 visitors and guests joined together to boost the NDP on their road to renewal.

We give notice to the Liberals and the Reform Party that New Democrats across the country are rising up in solidarity and unity to fight against their demolition of medicare and other social programs and are renewing our efforts for jobs and fair taxation for Canadians.

With our new leader, Alexa McDonough, Canadians have a reinvigorated voice to hold this government accountable for the destructive measures it is inflicting on Canadians. Canadians do have a choice. It is to join us in recovering a more caring and sharing Canada and reclaiming Canada for Canadians.

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BREAST CANCER

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, October is Breast Cancer Awareness Month, a time for all of us to remember that in 1995 an estimated 17,700 Canadian women will be diagnosed with breast cancer and 5,400 will die from this terrible disease.

The leading cause of cancer deaths among women, breast cancer can be eradicated through education, awareness, good health, and with the support of our community. The collaboration of survivors, health professionals, and governments must also continue in order to address breast cancer issues and to ultimately find a cure.

Chances are we have all known someone who has had breast cancer. I therefore invite you to visit the Canadian breast cancer memorial tribute this week in the foyer of the House of Commons. With this memorial we will remember the many Canadian women who have battled courageously but have lost to this disease. In their memory we must continue to provide support to those who are fighting for their lives.

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WOMAN ENTREPRENEUR OF THE YEAR

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I would like to draw the attention of the House to an award that was presented on the weekend to the woman entrepreneur of the year. This award is an initiative of the University of Toronto Faculty of Management and it counts organizations such as the *Financial Post* among its sponsors.

For the category of international competitiveness, my constituent, friend, and client, Paula Lishman, was the recipient. I have known Paula for many years. Her intuitive designs in reversible furs are respected throughout the world.

Paula exemplifies the fight of small and medium sized businesses, and women in particular in the country to get established and win the confidence of the financial community. Trading internationally and creating meaningful jobs in Durham and in Canada have been the results of her efforts. I know about her struggles because I was her accountant and sat with her on the other side of many bank managers' desks.

Paula's perseverance in the face of adversity is a lesson for all small and medium sized business operators. I am proud and happy that Paula Lishman has earned the recognition she so justly deserves.

• (1405)

GOVERNOR GENERAL'S AWARDS

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I am sure that I am joined by all members of the House in paying tribute to the six outstanding women who are the recipients of the 1995 Governor General's awards in commemoration of the Persons case, which were presented this morning at Rideau Hall.

We recognize Marthe Asselin Vaillancourt of Jonquière, Quebec for her continuing efforts to prevent violence against women, children, and the elderly.

We recognize Dr. May Cohen of Burlington, Ontario for her leadership and pioneering work in the field of women's health.

We recognize Dr. Ruth Flowers of Makkovik, Labrador for her community activism and dedication to improving the quality of women's lives.

We recognize Sheila Kingham of Victoria, British Columbia for her belief in the power of collective action and her tireless advocacy on behalf of rural women.

We recognize Carolyn G. Thomas of Dartmouth, Nova Scotia for her courage as a human rights activist.

We recognize Alice E. Tyler of Edmonton, Alberta for her promotion of women's advancement through her art.

Our congratulations from this House go to these remarkable women who have each contributed substantially to the furtherance of women's equality.

The Speaker: Would these outstanding women please rise in the House. We would like to recognize you.

Some hon. members: Hear, hear.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, the Government of Canada is inundating us with subliminal advertising in the midst of the referendum campaign, which is not a problem for Radio–Canada. The no side's messages state that the sovereignist leaders are claiming to be the only real Quebecers, when in fact they have never said such a thing. And yet, Radio–Canada is airing this message.

However, the message of the yes side showing how the federal government has systematically refused to listen to Quebec's demands is not acceptable. Radio–Canada suddenly remembers its advertising standards and refuses to air this message. This decision is incomprehensible and surprises even the Telecaster Committee, which approves its broadcast.

The truth is that the yes side's message was so effective government officials demanded it be rejected. This is the behaviour of a side in a panic and with nothing to offer Quebec.

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[*English*]

GRANTS AND CONTRIBUTIONS

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the government has lost control of the public purse. Once again I stand in the House to ask the Liberal government why it does not practise fiscal restraint in these tough economic times.

While the government refuses to allow Parliament to reduce public expenditures, it continues to curry favour by handing out $11 billion in grants and contributions largely without the knowledge of the Canadian public.

I have published the first issue of my waste report which highlights some of these expenditures, many of which cannot be justified. Examples are: United Steel Workers of America, $108,000; Canadian Labour Congress, $10,000; Canadian Chamber of Commerce, $4.5 million.

The Reform Party advocates eliminating all funding to special interest groups and sees no reason why $11 billion in grants and contributions cannot be cut at least in half.

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[*Translation*]

REFERENDUM CAMPAIGN

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, to compensate for the weakness of his separatist arguments, the leader of the Bloc Quebecois decided yesterday to resort to drastic measures. He stated, and I quote: "There is something magical about a yes vote. With a wave of our magic wand, we will stir up a feeling of solidarity among Quebecers".

The leader of the Bloc Quebecois has just traded his pilgrim's staff for an all–powerful magic wand to convince the people to vote in favour of Quebec's separation. This silly statement by the separatist leader is a good indication of how desperate the yes side is two weeks before the referendum.

The way things are going, it would not be surprising to see the separatist leaders criss–crossing Quebec astride witches' brooms before the campaign is over.

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QUEBEC ECONOMY

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, there is an article in today's *La Presse* about a study done by the Center for Strategic and International Studies in Washington on the economic impact of Quebec's separation and its effect on existing trade agreements.

The author of the study starts out by announcing that an independent Quebec would have none of the rights and obligations resulting from Canada's membership in several trade agreements with the U.S. including NAFTA, the World Trade Organization and the Auto Pact. A Quebec separated from Canada would have to negotiate access to all these treaties.

• (1410)

This study confirms what our Minister of Finance recently said. An independent Quebec will have to renegotiate all international treaties it is already a part of because of its status as a Canadian province.

The price to be paid for the separatist obsession is much too high and, on October 30, the people of Quebec will say no.

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REFERENDUM CAMPAIGN

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, the Leader of the Opposition has suggested that magic powers would help bring Quebecers together again after the referendum.

He told participants in a meeting at a CEGEP: "There is something magical about a yes vote. With a wave of our magic wand, we will stir up a feeling of solidarity among Quebecers. They will no longer be divided into sovereignists and federalists, and I will be confident of negotiating on behalf of all Quebecers". Abracadabra, says the opposition leader.

We are pleased to see that the separatist leader is now taking an interest in what comes after the referendum, when the magic vanishes. Of course, we would like him, with his magic wand, to have the same attitude and preach the same virtues of reconciliation the day after a no victory.

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REFERENDUM CAMPAIGN

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, last week, Senator Jacques Hébert displayed an unspeakable lack of respect for Quebec women, in calling political scientist Josée Legault a "separatist cow".

By heaping such abuse on women with convictions, Mr. Hébert once again shows them that the Liberal Party of Canada and the no side would not be able to meet their expectations in any way after October 30. The number of women in favour of a sovereign Quebec is growing day after day, and rude remarks like these can only strengthen them in their decision.

Mr. Hébert, a member of the Liberal Party of Canada and the government whip in the Senate, must publicly apologize to women in Quebec, and take back his offensive comments.

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[*English*]

THE SENATE

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, yesterday the Reform Party presented its new confederation proposals, 20 measures to modernize and decentralize Canada.

One of the proposed changes is to the Senate of Canada. All future appointments to the Senate would be made by means of elections based on the model of the 1989 Alberta Senate selection process.

Stan Waters made Canadian history twice on this day, October 16, 1989. He was the first elected senator in Canada and he was the first Reform Party member to sit in the Senate. His passing in September 1991 left that seat vacant and the Prime Minister filled it with a typical patronage appointment.

Canadians are tired of this old Liberal lament that we hear time and time again that because the Charlottetown accord failed Canada can never have an elected Senate. I say bunk. It has already happened in Alberta. It can happen in every province in Canada.

I know traditional parties will not want to see the house of patronage disappear. Where would they put the old boys and girls like the last four Liberals appointed to the Senate? I know where they should go. They should be put out to pasture.

The 21st century is coming. Let us democratize and have an elected Senate.

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[*Translation*]

REFERENDUM CAMPAIGN

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, on October 14, the leader of the official opposition said: "Do you think it makes sense that we have so few children in Quebec? We are one of the races of whites with the least children".

What does the colour of the children born in Quebec have to do with the referendum campaign?

First, several members of the yes side suggested that non French speaking Quebec residents would not have the same rights as those of French origin, and now the Bloc leader is raising the issue of race and colour.

Quebecers are not racists. They are well acquainted with the values of tolerance, social harmony and justice, and they will vote no on October 30.

Oral Questions

REFERENDUM CAMPAIGN

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, over the last few days, the Bloc Quebecois leader decided to focus his campaign on women. However, the message that he is sending to Quebec women is dubious to say the least.

The Bloc leader said: "Do you think it makes sense that we have so few children in Quebec? We are one of the races of whites with the least children. It doesn't make sense. This means that we have not solved family issues".

This statement by the official opposition leader is totally unacceptable and is also an insult to the freedom of choice which Quebec women have been exercising for years regarding motherhood.

• (1415)

The opposition leader is sadly mistaken if he thinks that, in a separated Quebec, women will readily comply with the demographic demands of the government. Separation will not be achieved on the back of Quebec women. On October 30, they will vote no.

ORAL QUESTION PERIOD

[*Translation*]

REFERENDUM CAMPAIGN

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in desperation, Daniel Johnson mentioned a commitment made in 1992 by the Liberal Party of Canada to recognize the distinct identity of Quebec, in an attempt to convince himself that the political will for constitutional change exists. However, on September 11 this year, the Prime Minister of Canada told him, and I quote: "Distinct society—we are distinct, no need to put it in the Constitution. When you look at me and hear me speak English, you know I am distinct".

My question is directed to the Prime Minister. I want to ask him whether he intends to remind Mr. Johnson that the federal government has no intention of amending the Constitution to recognize the distinct identity of Quebec, as he himself, the Prime Minister of Canada, said on September 11 this year.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, twice Canadians have been asked to vote on this. I remember the distinct society was part of the Charlottetown accord. I voted for the accord, Mr. Speaker. The Leader of the Opposition voted against it. The leader of the Bloc Quebecois voted against it. The members of the Parti Quebecois voted against it. Jacques Parizeau did. We were in favour of the accord.

They voted against it, but today they want it back. I think that is a little ridiculous. As we said before, today the issue is not the Constitution. Today we have to answer a question put by the Leader of the Opposition and his former leader, the Premier of Quebec, about whether we should separate.

When asked the question: "Should we separate?", the people of Quebec will say no. Today we are not talking about the Constitution but about answering the question put by the Leader of the Opposition.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, so constitutional change is not important enough to discuss at a time when it happens to be the focus of the debate on the future of Quebec. That is rather strange.

The Prime Minister just referred to Charlottetown. He knows perfectly well that the Canada clause made recognition of Quebec's distinct identity devoid of all substance by subordinating this recognition to the fundamental principle of provincial equality.

I want to ask him: Would he confirm that because of the sacrosanct principle of provincial equality, he refuses to recognize Quebec as a distinct society, as he is being asked to do today, alas in vain, by Mr. Johnson who will not learn the lessons of Meech and Charlottetown?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Mr. Johnson voted for the distinct society in the Charlottetown referendum, while the Leader of the Opposition voted against the distinct society when we had a referendum. Mr. Parizeau voted against the distinct society when we had a referendum. Funny how they have changed their minds today. Why did they not consider what they were doing at the time?

They wanted to vote against the accord so they could go on complaining and then have a referendum on separation. We will have one two weeks from today, when people will answer the question on the separation of Quebec from the rest of Canada. The people of Quebec know that their future is about remaining full members of the federation of this great country, Canada.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if the Prime Minister voted for Charlottetown, it was because recognition of Quebec's distinct identity did not mean a thing. That is why he voted in favour of the accord and that is why we are going to vote against it.

I want to ask the Prime Minister how he expects Quebecers to trust him after what he did the day after the no in 1980, when he did a job on Quebec by isolating it and imposing a constitution that Quebec still refuses to sign.

• (1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Leader of the Opposition likes to talk about the past. I have nothing to hide. At the time we were, legally speaking, a colony of Great Britain, and we had to patriate the Constitution. We had no Charter of Rights and Freedoms in Canada, something we wanted to have. The Constitution at the

time did not include the recognition of French and English as Canada's two official languages, which was done in 1980, fifteen years ago.

The country has continued to progress, while he is still back in 1980 and we are heading for the 21st century, and he says he has the answer, the magic wand. You wave the magic wand and poof, the studies commissioned by Le Hir vanish into thin air; another wave, and all the risks of separation disappear; another, and the concerns of everyone, from the Prime Minister of Canada to the leaders of other countries, are no more. And then suddenly, another wave and Mr. Parizeau, the leader of the no side, has vanished.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Prime Minister.

Clearly short of arguments to defend the federalist cause, Liberal Senator Jacques Hébert, government whip in the Senate, used coarse, derogatory and unacceptable language in describing political scientist Josée Legault as a separatist cow.

Will the Prime Minister publicly dissociate himself from this inappropriate remark by his old friend Jacques Hébert and will he offer an apology, on behalf of the Liberal Party of Canada, to the women who have been offended by it?

The Speaker: My dear colleague, the government's administrative responsibilities do not extend to the Senate. I would ask my hon. colleague to rephrase the question, which will perhaps be acceptable.

Mrs. Venne: Mr. Speaker, given the unacceptable nature of this remark and the responsibilities of the senator, who was appointed by the Prime Minister to perform official duties, I am asking the Prime Minister whether he will relieve him of his duties.

Mr. Chrétien (Saint–Maurice): Mr. Speaker, I would like to respond.

The Speaker: Just a minute. I will allow the question, and the Prime Minister will be able to answer it.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if this remark was made, I deplore it. That is all I can say. I was not present. I am told it was made in a private conversation. It was not said publicly, but if it was made, I deplore it.

Everyone makes mistakes, perhaps the senator made one here. I have also made mistakes. This senator has faithfully served Parliament and Quebec society. He may have made a mistake—it happens—I regret it.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, we are not talking about deploring a remark, we are talking about dissociating oneself from it.

Some hon. members: Oh, oh.

The Speaker: The hon. member for Saint–Hubert, on a supplementary question.

Mrs. Venne: Thank you Mr. Speaker. This is not a matter of deploring a remark, it is a matter of dissociating oneself from it, and this is what we are asking the Prime Minister to do today. Will he dissociate himself from the remark Senator Hébert made about Ms Legault?

• (1425)

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I would much prefer the apology come from Lucien Bouchard for his racist and sexist remarks—

[*English*]

The Speaker: We do not usually address each other by name in the House in our comments. I find the language is getting a little strong. The hon. member for Macleod.

* * *

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the health minister has failed in her bid to squash semi–private clinics in Canada. Two of the largest provinces just ignore her and four provinces have bluntly said no to decreased medicare funding and no to longer waiting lines.

However, it is never too late to operate co–operatively. We call on the minister to put aside her silly squabbles. We call on her to work with the provinces toward health care reform which puts patients rather than bureaucrats first.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Health is defending something voted on by the House of Commons, the five principles in the Canada Health Act.

We all agree with her that these principles have to be protected. Unlike the Reform Party, we do not want a two tier system. However, at the same time she has agreed to talk about some specific problems with the provinces in order for them to operate in a way that is completely acceptable according to the principles of medicare. She has the support of this whole party.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the Prime Minister wants specifics. Maybe he will listen to the patients on waiting lists throughout the country. The cardiac waiting lists in Canada today are longer than they have ever been in history. Why? They have no choice. The minister offers no choice and no alternative.

Does the minister have anything to say to Canadians on waiting lists other than "just line up and shut up"?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member should know that administration occurs on a daily basis and discussions on how to operate medical services within the provinces are completely provincial responsibilities. We are not running hospitals. They are run by provincial governments.

However, it is very difficult for me to understand that these people are always complaining that we should not spend money and should cut all the time but then they want us to increase payments to the provinces. I would like the member to say so and by how much. I will listen to him.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the Prime Minister continues to say we do not need more money in the system, but how much less do we need?

This rigid centralist solution will not work. This kind of government is why we are in so much trouble with health care and indeed with Quebec.

The provinces know this edict on semi–private clinics will not work. I call on the Prime Minister to abandon this approach. When will the Prime Minister join the provinces in real reform, real health care reform?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have established a forum on that. We have experts operating under my leadership on how to reform medicare. We have a problem with that in Canada. I recognize that. We included in our red book that it was to be reviewed. We have formed a committee of experts listening to the views of Canadians.

However in the meantime, and we said it very clearly, we have to reduce the cost of medicare from what it is today, 10 per cent of GDP, to around 9 per cent. It will be done although it will not be easy.

The provincial governments are also doing their share. They are cutting and we have to benefit a bit from their cuts because the federal government has deficit problems. Some provinces cut $500 million so we must have the right to cut in relative terms if we want a balanced situation in Canada. We are having ongoing discussions with the provinces on this. I am happy to know that the Reform Party does not want us to spend more money on it.

* * *

• (1430)

[*Translation*]

REFERENDUM CAMPAIGN

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the no side shows how desperate it is when it distorts, the way it just did, the comments I made on Saturday, by claiming they were sexist.

I want to ask the Prime Minister whether he would agree, as I said on Saturday, that the government must provide the right socio–economic conditions so that couples who want children and have none because they cannot afford it, would be able to have them?

I want to ask the Prime Minister whether he would agree that we must create the right socio–economic conditions so that couples who want children can afford to have them? I want to ask him whether he would agree that we must give them that option by creating conditions that will help them develop both their own and their children's potential?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the Leader of the Opposition is trying to do some damage control, considering the terrible blunder he made when he implied that since we are in Quebec, we are white. He then implied that Quebec—

You know, what is disturbing about the comments of the Leader of the Opposition is that to be a good Quebecer, it is better to be white than coloured and it is certainly better to speak French than English. If you are a separatist, you are a good Quebecer; if you are a federalist, you are not. If you happen to be a woman, maybe you should have more children.

This is a matter of personal choice for every woman. We may be in favour of certain policies in this respect but they should not be connected with race and with relationships that deny the equal status of men and women in society.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, it is simply appalling that a Prime Minister should stoop to distorting comments to such an extraordinary degree. This is intolerable. Everybody knows there is a problem with the birth rate in Quebec and that it concerns all governments. Everyone knows that in Quebec many couples, and we all know people like that, would like to have children but cannot afford to.

So I want to ask him whether he does not realize that we will have to introduce appropriate measures for financial support, measures to make day care available to everyone, and I want to ask him whether he realizes that by threatening to cut social programs as he has started to do and will continue to do more and more after the no, he ignores the needs and interests of women and married couples?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, since I am being accused of misquoting the Leader of the Opposition, I will read to you what he said: "Do you think it makes sense that we have so few children in Quebec? We are one of the white races that has the least children. That does not make sense". Are Quebecers members of the white race? There are Quebecers of every colour and every religion.

Is the decision to have children the responsibility of the government and women themselves? That is where the Leader of the Opposition made a blunder, and he made it clear where he is coming from when he talks about these problems.

* * *

[*English*]

SOMALIA INQUIRY

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, both the Prime Minister and the Minister of National Defence have said that they want to get to the bottom of the events in Somalia. They have pledged to act after the commission of inquiry submits its report.

However, section 69 of the National Defence Act requires that a trial for most services offences must begin within three years of the alleged offence. Because the commission is not scheduled to report until June 1996, it seems that discipline and leadership failings of late 1992 and early 1993 will go untried.

Was the minister aware of this limitation when he called the inquiry? How exactly does he plan to get to the bottom of events if charges cannot even be laid?

• (1435)

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the government is fully aware of the provisions of the National Defence Act with respect to the statute of limitations on non–indictable offences. I am sure the commission on Somalia is also well aware of it.

With respect to the question on charges, we do not presume that further charges are to be laid, but we do not preclude it either. I would ask the hon. member and his party to let the commission do its job and we will do our job in government. Then we will have justice served.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, this Liberal government took a year to announce a public inquiry. It was almost another full year before the inquiry began to hear witnesses.

Last November I asked the minister to suspend the courts martial and proceed immediately with the inquiry. He refused. How can this minister explain to the Canadian public that because of his delays justice will be denied by a technicality?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, unlike the Reform Party, we have a profound respect for the justice system in this country.

The hon. member is fully aware that we were precluded from calling the inquiry because there were courts martial in progress and then subsequently there were appeals. Until we had the Westray mine decision of the supreme court in May of this year, we could not have started a commission without risking having the charges quashed of people currently on trial.

If I had done what the hon. member advocated we do and people who have subsequently been charged and convicted were then not subject to the justice system, he would be the first one yelling and screaming in the House of Commons that somehow the government was responsible for the denial of justice.

* * *

[*Translation*]

ELECTIONS CANADA

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, a common thread runs through the Prime Minister's entire political career. Every time Quebec wanted to assert itself, he has stood in its way. We just learned that Elections Canada has initiated the whole process required for holding a Canada–wide referendum. This is probably not a spontaneous initiative by Elections Canada.

Are we to understand that the Prime Minister is refusing to recognize Quebecers' verdict in the referendum and getting ready to hold a Canada–wide referendum in order to overturn the democratic decision of Quebecers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I did not speak to the Chief Electoral Officer. If he has decided to set the whole machinery in motion, an election will certainly be held within two or three years. For the moment, my only goal is the one we all share: winning the referendum in two weeks.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since the Prime Minister can see that it is less and less likely that he will win the referendum in Quebec, I ask him again: Does he realize that by staying extremely vague on the Elections Canada manoeuvres, he is raising doubts as to his democratic intentions?

I ask him again: Does the Prime Minister reject the idea of holding a referendum in order to counter the democratic decision Quebecers will make in two weeks?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Chief Electoral Officer reports directly to the House of Commons. All the hon. member has to do is call and ask him why he is getting ready to hold an election. An election can be called any day. I could get up tomorrow morning and call an election.

That is a prime minister's privilege.

Some hon. members: Oh, oh!

Mr. Chrétien (Saint–Maurice): You should at least be here for another two weeks because you would not be coming back.

Call the Chief Electoral Officer and ask him. As far as I am concerned, the referendum is what we are working on at this time. We did not need to get rid of the leader of the no side. Mr. Johnson is doing an excellent job. We did not have to change our strategy because we are clearly telling citizens that all statements by the Leader of the Opposition or the so–called structures he might develop by negotiating with God knows whom— We are simply telling Quebecers that these people are

separatists who do not have the courage of their convictions and who are trying to sell them something they do not want to buy.

* * *

• (1440)

[*English*]

GOVERNMENT APPOINTMENTS

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, last May when the justice minister was attempting to justify the Liberal patronage appointments that his revenue minister wanted for Vancouver Island crown counsel positions, he said that the sole criterion for their appointment was that of competence.

Well, their competence showed up last week when one of the Liberal appointees turned up in a Nanaimo court totally unprepared, incapable of proceeding, and a serious drug case was thrown out. Is this the Liberal justice department's measure of competence?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, what the Minister of Justice said on these appointments still holds true.

The matter to which the hon. member refers is an incident where perhaps more through an administrative mix–up the new agent was unable to get the files for the court. It had nothing to do with the agent's competence. The matter is being looked into by the Minister of Justice.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, this particular case has been before the court since September 1993, a full two years.

In addition to this case, in Victoria last week another Liberal appointee turned up in the court unable to even qualify with an ordinary argument for law in the court. That case was thrown out.

In a second case in Victoria the crown prosecution witnesses turned up but surprisingly the crown prosecutor did not. That case was thrown out.

When is the justice department going to wake up?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, if the agent is unable to get the information and unable to get the files then the agent cannot do the job if the agent is not granted a postponement by the court. If this is the case, as I believe it may well be, then certainly there is nothing whatever to discredit the agent.

As I have said, the Minister of Justice is looking into this matter.

* * *

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration. His department has speeded up citizenship processing in Quebec since the referendum campaign has begun. Never, in any recent provincial or federal election, had such an extensive operation been undertaken to issue certificates of citizenship. Because of this accelerated process, more than 15,000 new citizens will be able to vote in the upcoming referendum.

How can the Minister of Citizenship and Immigration justify this eagerness to expedite the processing of citizenship applications in Quebec, when his own officials have confirmed that never before had such an extensive operation been conducted just before an election anywhere in Canada?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, what is being done with respect to citizenship processing in the province of Quebec leading up to the referendum is nothing different from any lead up to any provincial campaign.

My department has done likewise with the provinces of Manitoba, New Brunswick and Ontario. If we compare the number of citizenship processings with the year of the Ontario election, it is up some 45 per cent.

Is the hon. member suggesting that we should somehow slow down the process? Is the hon. member suggesting that it is not proper to have the persons exercise their democratic right to vote? Exactly what is his point?

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, in my case it took one year to become a citizen, and the minister did not do that before the elections in Ontario and New Brunswick.

[*Translation*]

Will the minister admit that the explanation for his sudden concern for democracy can be found in the letter he sends all new citizens, asking them to help build a strong and united Canada.

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member is wrong on both counts.

The government does not assume how newcomers or immigrants will vote. Perhaps the party on the other side is assuming somehow that new immigrants will vote a different way from the intention of their party. That is not my business as minister of

citizenship. My business is to ensure that people have the franchise to vote, whether it is in a referendum, a provincial election or a federal election. We make no apologies for that.

• (1445)

The member of Parliament accuses me of writing wrong letters to all the people who become new citizens. Let me quote from the former secretary of state in the preceding government, who is currently the leader of the Bloc Quebecois. He stated in the letter: "I wish to extend to you my personal congratulations and those of the Prime Minister on the occasion of your becoming a Canadian citizen. Your government is pleased that of all the nations of the world you have chosen Canada as your new home".

* * *

PORCUPINE CARIBOU

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, the U.S. Congress is considering legislation to allow oil and gas development in the calving grounds of the Porcupine caribou herd in the Arctic national wildlife refuge in Alaska. An all–party report supported protecting the calving grounds of the herd which migrates between Yukon and Alaska.

Could the Minister of Foreign Affairs tell the House what the Canadian government has done to protect the calving grounds of the Porcupine caribou herd?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, Canada has expressed its strong opposition to the congressional proposal. Indeed I wrote to Warren Christopher about the question. My colleague, the environment minister, also wrote to her counterpart. The Prime Minister has spoken to President Clinton.

We certainly hope the congressional proposal will be amended. If not, the president will exercise his veto.

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FISHERIES

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

When the Liberals announced the Atlantic groundfish strategy in May 1994 they called it a program to end all programs. Significant funding was allocated to reduce industry capacity and for retraining.

The government has already siphoned money away from retraining. Last week the minister announced funding reductions to the $300 million buy back program, the heart of capacity reduction, because TAGS benefits are running unchecked resulting in a massive deficit.

Will the minister admit to the House and to the fishermen in Atlantic Canada that TAGS is in total chaos and will do nothing more than perpetuate income dependency?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I will make no such admission.

The Reform Party really has to sort itself out. Its members spend most of their time calling for a total cancellation of the TAGS program, cancellation of all forms of unemployment insurance assistance and, if we read between the lines, cancellation of Atlantic Canada on most days.

The Liberal Party announced last week in consultation with my colleague, the Minister of Human Resources Development, the beginning of the early retirement component of that program for fishermen between the ages of 55 and 64, the first round of a licence retirement program. The Minister of Human Resources Development will proceed shortly with details on early retirement programs for plant workers.

We are well on our way to achieving our 50 per cent capacity reduction objective and we are on our way to rebuilding the Atlantic fishery for the long term.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, this is not our program; this is their program. They are not meeting their own targets.

Fishermen in Atlantic Canada tell me that TAGS has a $400 million projected deficit because, to be frank, just about anybody could qualify for benefits. One fish plant operator told me that one–third of his workforce left their jobs to go on TAGS. Another fisherman told me: "All you need to do to qualify for benefits is show up at a TAGS office wearing a pair of rubber fishing boots".

• (1450)

Will the minister admit that TAGS is an abject failure because it has been totally mismanaged and will now do almost nothing to reduce industry capacity?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is tragic when a member is on the job for a short period of time as a critic and then perpetuates certain rather destructive myths about a region of the country. "All you have to do to qualify for assistance is show up with a pair of rubber boots" is the kind of cruel and twisted humour that does nothing to solve the problems of Atlantic Canada.

The reality of the TAGS program is that 39,000 people qualified, but only 25,000 have actually taken assistance. The others have been able to find new kinds of work in the fishery or in other sectors. Fourteen thousand people who qualify based on the criteria have gone off to find a new start in their lives. Thousands more have entered training programs and many more thousands are now in the process of moving out of this industry and making a new beginning in their lives.

If the member really cared about Atlantic Canada, really cared about the fishery, he would take more than 60 seconds or a one–day visit to write a new prescription for the problems of the region and he would address the House with some sensitivity and with, frankly, some intelligence.

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[*Translation*]

IMMIGRATION

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

The accelerated processing of citizenship applications during the Quebec referendum, an operation conducted only in Quebec, leaves very little time to carry out the security check required before Canadian citizenship can be granted.

How can the citizenship minister explain that, all of a sudden, during the Quebec referendum, the security checks required before applicants can become Canadian citizens, and eventually Quebec citizens, are four times faster than before?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the deputy premier of Quebec, their soulmate, said:

[*Translation*]

"We must assume that the federal government is acting in good faith; the right to vote is sacred".

[*English*]

We are not taking shortcuts on the applications. The applications within the system are being processed. There is a view at the lead up of every provincial and federal election, including the referendum this time as well as in 1980, that if there is an ability to speed up the processing with the viewing of granting the franchise of the vote it will be done.

For instance, in the province of Ontario in the lead up to the provincial election in 1994, instead of the 72,000 people that were processed in 1993 there were 107,000 people processed or a 49 per cent increase.

In Manitoba, in New Brunswick and in the other provinces the same thing has happened. We are not questioning how people are likely to vote as a function of whether or not we process. It is a shame that party is doing just that.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the minister is misrepresenting what Minister Landry said. The right to vote is indeed sacred. It is precisely because it is sacred that all due diligence must be exercised to make sure that only qualified applicants are granted citizenship.

Can the minister give us any assurances that Immigration Canada is not skipping any crucial steps in granting Canadian citizenship to immigrants?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I have tried to tell my hon. friend and the critic for citizenship and immigration that everything is being done according to law and according to tradition; that is what we have been saying.

If she checks with her seatmate, the critic for immigration and citizenship, he criticized us in the past for moving too slowly on the applications. Now they are saying we are moving too fast. Which one is it?

* * *

• (1455)

CRIMINAL CODE

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, last week in British Columbia two women were killed by their spouses after restraining orders had been issued for their abusive partners. They lived in fear for their lives and turned to the Canadian justice system for help and that system let them down.

Restraining orders are clearly not effective without more teeth to back them up. An electronic bracelet worn by the abusive partner would help alert a victim and police to the approaching danger.

Will the government introduce changes to the Criminal Code which would allow for greater use of electronic monitoring to help enforce restraining orders, peace bonds and protect victims of stalkers?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, although tragic events such as the ones the hon. member has referred to do not happen in great numbers, any one event like that is one too many.

The Minister of Justice is looking into the particular situation to see how the Department of Justice can perhaps help.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I remind the government that incidents where women are being killed by their abusive partners are not isolated.

In Calgary where my riding is located, four women in the last eight weeks have been killed by their estranged partners. Something needs to be done.

Does the government have a study in the works directed toward using modern technology to enhance the protection of citizens in these kinds of circumstances?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member is absolutely correct that any one incident of this type is one too many. Women killed by abusive partners are an occurrence that happens too frequently.

As I mentioned in my first answer, the Minister of Justice is looking into the situation and is looking into electronic bracelets. We are working with the solicitor general and other departments to find a meaningful way of drastically reducing these types of tragedies.

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ATLANTIC INVESTMENT FUND

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, my question is for the Minister of Public Works and Government Services.

I understand the details of the Atlantic investment fund are near completion and that provinces and banks are showing their support for the fund. Members of the third party may criticize the idea but Atlantic Canadians know the need for small business capital in our region.

Will the minister tell the House that he is going ahead with the Atlantic investment fund?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I know the hon. member's long interest in the subject matter. He should be aware, as other House members ought to be aware, that Atlantic Canada is the only region of the country that does not have a venture capital fund.

With the co–operation of the four Atlantic premiers and the Government of Canada, the private sector including the chartered banks is in the process of coming together and consummating what will become known as the Atlantic venture capital fund.

For the benefit of the House, the particular fund has as its goal to assist small and medium size business and to increase the human infrastructure in that sector in Atlantic Canada. It will be governed, driven and operated by the private sector which has its roots and resides in Atlantic Canada.

* * *

[*Translation*]

COUNCIL FOR CANADIAN UNITY

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, thanks to a federal grant of at least $4 million, the Council for Canadian Unity is pursuing its massive registration of out of Quebec residents, under false representations. The council encourages these people to say that they intend to move back to Quebec within two years, even if it is not the case. The result is that over 15,000 out of Quebec residents have been registered, which is four times more than for last year's election, and which includes 4,000 duplicate listings.

How can the Prime Minister justify that the Council for Canadian Unity encourages thousands of people living outside Quebec to illegally get their names on the voters' list?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the council is indeed an organization that has received a grant from the government, but it also receives moneys from the private sector and it urges people who have the right to vote to get their names on the list.

• (1500)

It goes without saying that if the no side wins in two weeks, many people who moved out of Quebec will want to go back there. Thanks to its restored political stability, Quebec will become a very interesting place to live, and these people will be very happy to move back to our belle province.

* * *

[*English*]

JUSTICE

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, my question is for the justice minister.

In the trial of Royer, the jury decided that Royer could form specific intent, that Royer was not extremely intoxicated and that Royer knew exactly what he was doing when he murdered Sharon Mohamed and attempted to murder Sharon's mother, Shadikan.

The government discussed and decided unanimously that drunkenness is not an excuse. When will it enforce the legislation that makes the final decision of a jury that hears all pertinent evidence final and will not allow an appointed body such as the supreme court to overrule the wishes of the people and the Parliament of Canada?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, with respect to the Royer case, the Supreme Court of Canada has now been asked to look at it. As this case is before the supreme court it would be improper to comment on it.

This case is different from the Daviault case in that this is a crime of specific intent whereas the Daviault case was a crime of general intent.

The Minister of Justice is looking at the possibility of acting as an intervener in this case if it goes before the Supreme Court of Canada.

* * *

HEALTH CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Prime Minister.

In opposition the Prime Minister opposed the Tory vision of health care. He opposed cuts to the transfer payments to the provinces and territories. He opposed Bill C–91 which has sent the prices of prescription drugs sky–rocketing. He said he would protect Canadian health care with more than just rhetoric.

Unfortunately some Canadians believed him but we have seen no changes to Bill C–91. We have seen reduced transfer payments. The real problems with health policy are Liberal government policies.

Will the Prime Minister stop letting the Minister of Finance set health policy, present a vision to Canadians and ensure stable funding for provinces and territories so we can have a truly national health care system?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I will certainly tell the Minister of Finance the member for Yukon is not very happy with him.

As the hon. member for Yukon has resigned as the leader of the NDP, I take this opportunity to congratulate her on behalf of everyone for having served her party and the House of Commons very well. As the leader of her party, her contributions were always of a very high level and extremely useful to the House of Commons. Of course I did not agree with her all the time and I did not expect her to agree with me all the time.

On behalf of everyone, I congratulate the member on a job well done.

Some hon. members: Hear, hear.

* * *

PRESENCE IN GALLERY

The Speaker: I wish to draw to your attention the presence in the gallery of His Excellency Jozef Skolc, President of the National Assembly of the Republic of Slovenia.

Some hon. members: Hear, hear.

• (1505)

The Speaker: We also have present in the gallery a delegation of South African Provincial Speakers and Deputy Speakers.

Some hon. members: Hear, hear.

The Speaker: As a lead in to the tributes to the member for Yukon, I wish to draw to the attention of the House the presence in the gallery of Ms. Alexa McDonough, member of the Legislative Assembly of Nova Scotia and the new leader of the federal New Democratic Party.

Some hon. members: Hear, hear.

THE HON. AUDREY MCLAUGHLIN

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, it is a great pleasure today to pay tribute to the Hon. Audrey McLaughlin, an outstanding human being, a wonderful spokesperson in the interests of our society and always very measured but very convinced in her observations and in her remarks.

Audrey McLaughlin is one of the outstanding leaders and role models of Canadian politics and female politics. She has strengthened us all by her presence. She has been symbolic of all we are about and why and what we wish to achieve in terms of equality of opportunity, equality of access, equality by the very right of our competence our skills and our personalities. She is a woman who has all of those attributes.

In every way she symbolizes why we are all here. She has contributed in very significant ways to the changing of the tone and the substance of debate. That has been one of the most significant observations I could make as we shared the other side of this floor for many years. Audrey always had the ability to present her point of view in a very deliberate and measured way. She did not agree most often with the procedures of the House but she was never disagreeable in her approach to her point of view and expressing her firm conviction which she holds from depth of heart which becomes very obvious.

It was a privilege to have the Hon. Audrey McLaughlin on the trip we recently completed for the fourth annual conference in Beijing on women's issues. Her presence was a symbol to the host country as we travelled with four different parties representative of the diversity of this country, not only the diversity of political opinion but the diversity of our geography and the diversity of our people.

She is an eloquent spokesperson for the aboriginals of her region, the people who have elected her to the House; not only the aboriginals but certainly those she represents with such sincerity and depth of commitment to their interests and to their well–being. For this we owe her a very strong vote of thanks.

When Audrey would stand to make a speech or to pose a question she did it in a very holistic way. It was never with the finest of lenses, which I appreciate perhaps more than most. I like that approach because it puts an issue into the context of daily human life, of living. Living is so daily and, Audrey, you bring that to our attention so succinctly and effectively.

As a woman she is a trailblazer. In 1989 she became the first woman to lead a national political party in Canada, in fact in all of North America. Sixty–eight years after Agnes Macphail, the first woman was elected to the House of Commons. As a woman she bears the legacy of womanhood, having many and diverse roles which are rather in competition at many times. She is of course a politician but say she belies the phrase "you are too nice to be a politician".

• (1510)

She is a leader who brings with her and believes in sharing power and leadership and is a model to other women. We have stunning proof of that in the House, which you have just brought to our attention, Mr. Speaker. We all welcome Alexa McDonough as the new leader of the New Democratic Party. We wish her well as she takes on a very difficult and very trying role. I hope she does not find putting together both roles of politician and general citizen too difficult.

Audrey McLaughlin the activist has served on many boards and has brought a lot of interesting perspectives to these boards of directors. Audrey McLaughlin is also a mother with two children and it has taken the support of those children for her to be in the House. She has also been an outstanding daughter to her mother and we have all followed that with great heart.

On behalf of countless women and children across this land, we take our hats off to you, Audrey McLaughlin. We wish you well in your future.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I would like to add the voice of the official opposition to that of the government spokesperson in paying all of the honour that is due to Audrey McLaughlin as she moves from the life of an elected representative to the life of a private citizen.

I would like to tell her that we have all loved and admired her and that we will continue to show her all of the esteem she deserves. When I was on the opposition benches from 1990 to 1993, when the Bloc was not a recognized party, I had the opportunity, since I was in the same corner of the House, to work in close conjunction with Ms. McLaughlin as Leader of the Opposition. I must admit that I learned lessons from her which I try to put into practice daily.

I believe that we must acknowledge the work carried out by this great lady who is leaving the House of Commons for another life, a life in which I know she will be equally productive. We must tell her how much she will be missed. The social awareness she has shown in this House is something that has been building throughout her life. She came to politics from social work. She has worked in the health field, she has worked with children. When she spoke of those causes in the House she knew what she was talking about, and we sensed that in the sincerity of her speeches.

I would also like to remind people that she was the first woman leader of a major federal party. She has blazed a trail for others to follow. We must acknowledge that she has done a good job of doing so, for now another woman will be leading her party.

I do not wish to see her leave the House right away, but I know that the decision she has made to leave the leadership of a great party like the NDP was a very big decision. I hope she will remain extremely active in politics, for the party she has led which is now to be led by Ms. McDonough and in fact has been led by her since the weekend, is a party which represents in English Canada the values to which all of us in the Bloc Quebecois adhere, but which are not exclusive to the Bloc.

We know that social values are very important in English Canada, that English Canada fought long for them. There must therefore be a party in this House at all times to defend those values. I hope that party will be the NDP.

Again, allow me to repeat our regrets that Ms. McLaughlin has stepped down from the leadership of the New Democratic Party, and to wish her from all of us a long and active life. At any rate, we know that she will be following the excellent examples set by Stephen Lewis and Ed Broadbent before her.

[*English*]

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, on behalf of the Reform Party I would also like to congratulate the member for Yukon.

We have sat together in the House for several years. Although we have all kinds of different political views, we also share many things and have a lot of things in common. We first came to the House via byelections, a very exciting situation. The member for Yukon was elected in 1987 and I was elected in 1989. We are women and that gives a certain situation and a certain leaning. When you are in here you learn all kinds of things about being a woman in federal politics certainly. We are both far from home as we serve in this place.

• (1515)

When we live in far flung western and northern ridings, Ottawa is a long way from home. There are people who we really cherish and miss dreadfully when we are a long way from home.

We have sat as independents in this House. We have that in common as well. That gives a certain perspective also in the House of Commons. It lets us realize that things are not always just the way we would want them to be but it is a good learning situation for both of us.

What impressed me the very most when I first came here and wandered around as a caucus of one all by myself was seeing Audrey in her good business clothes and her Reeboks walking through the Byward market. That really warmed me to you, Audrey. I realized then that here was a party leader who was practical and when she was going on a long jaunt from Parliament Hill she was free and willing to wear her Reeboks. I have always appreciated that about her. I will continue to think of her as I march through the market in my Reeboks.

When somebody comes to Parliament Hill from so far away, they give up an incredible amount of their personal life. I know, Audrey, it is difficult to be so far away from home as you put many relationships on hold as you come here and serve the Canadian public.

I want to thank you on behalf of my party and on behalf of all Canadians who appreciate so much—maybe they do not say it daily—the fact that you have also given up much. We want to thank you and say that we appreciate all that you have done. Thank you so much for your contribution to Canadian life, to the Canadian political process and the incredible sacrifice that you have made to your country. Good luck in all that you do in the future. God bless you, Audrey.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, this weekend the NDP elected a new leader. My caucus colleagues and I were pleased to have our new leader, Alexa McDonough, recognized in the gallery today.

The NDP caucus looks forward to working with Alexa. It also looks forward to the day when she and many others join us in this House to put forward our vision of the country and the world.

For the last six years, that vision has been put forward on our behalf in this House and across Canada by the member for Yukon, the Hon. Audrey McLaughlin. As chair of the federal NDP caucus I am honoured to be able today to pay tribute to Audrey on behalf of my colleagues and I am sure on behalf of Hill staff, party members and many other Canadians, all of whom I believe came to very much appreciate the member for Yukon and her way of doing politics.

Audrey, like some of her predecessors, had some moments here in Parliament that will be recorded in the minds and hearts of New Democrats forever as richly symbolic of the dissent which we express in this place about what is regarded by the conventional wisdom as unacceptable or unavoidable, whether it is on matters like NAFTA, privatization, deregulation, a whole list of things. Your leadership in our opposition to the gulf war was such a defining moment for many New Democrats.

And if I may say so while I am talking about courage, I remember your support of the Charlottetown accord when you put what you thought was best for your country ahead of what you knew might be politically risky for your party.

As the first woman leader of a federal party, you made history and you made it in such a way that our party was able to elect another woman as leader without gender being an issue. Thanks to your history-making leadership bid, the time when gender is an issue in Canadian political leadership contests may well be history. This is as it should be and for this all Canadians who value the equality of the sexes are indebted to you.

The member for Yukon is no longer our leader, but we are delighted that she continues to be our colleague, having put behind her the slings and arrows of outrageous fortune that sometimes come with the leadership of political parties. We know that the people of Yukon will be the real beneficiaries as Audrey will now be able to give her undivided attention to a part of Canada that she so clearly loves, and whose reality she brought home to us in the NDP caucus and elsewhere.

I venture to say that the phrase coast to coast to coast, which Audrey always insisted on, by way of recognizing northern Canada and the northern coast it represents, has changed the lexicon of Canadian politics in a way that brings recognition to northern Canada and the constituency which you so ably represent.

• (1520)

On a personal note I remember as well the joy which you took in having caucus go to the Yukon for a retreat. I remember even better the experience of mushing on the back of a dog sled, thanks to the care which Audrey took to make sure that we all had a taste of this great northern tradition. The dogs were a little bit tired after pulling me.

Since the election of 1993 and her announcement of her intention to step down as our leader, the member for Yukon has given much of herself and her energies to the renewal process in our party, a process which she gave impetus to originally and which has helped to invigorate the NDP.

In this, as in all things, Audrey has earned the affection of many New Democrats with her warm smile, her kind words and her ability to remember so many of the countless faces and names she encountered as a political party leader.

Finally, there is one word that seems to come to everyone's mouth when we speak of the member for Yukon and that is dignity: dignity in the day to day demands of politics. I remember Audrey patiently putting on my son Daniel's rubber boots in order to personally view the flooded yards and homes of south Transcona in my riding. But most of all dignity in the face of difficult circumstances, dignity in the face of electoral defeat, dignity in the face of criticism and dignity in the passing of the torch to a new leader.

For all these things and more, Audrey, we say thank you.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I am very pleased to have the opportunity to pay tribute to the hon. member for Yukon. This distinguished and elegant member of Parliament was the leader of her party and the first woman to head a national party. For this, I offer her both praise and congratulations.

I have had an opportunity to visit the Yukon and been impressed by the work Ms. McLaughlin has accomplished there. The Yukon is no easy place to visit. It is no easy place to serve. It is immense and surely as far away as you can get in Canada from the capital. For this I raise my hat to one who, probably, for many weekends has gone home to visit her constituents and returned to work every week.

I have found Ms. McLaughlin to be affable, friendly, distinguished and elegant. She always had time to chat, regardless of one's political affiliation. She invariably had a smile and a kind word to say. We will miss her. She served her party with enthusiasm. She knew her subject matter. She spoke well in the House, in both official languages.

I have always appreciated the fact that she recognized Canada's two main groups and wanted to represent everybody all the time, always with a view to improving quality of life. I am pleased to have sat in the House with her as a colleague since 1988 and I will remember her as an extraordinary individual. My congratulations, Ms. McLaughlin.

[*English*]

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I certainly thank everyone for their very kind comments. I also thank my caucus colleagues for their support and their comments today.

I have been very proud to lead a political party that has consistently stood for working Canadians and those who would be working, for a strong national health care program, for Canadians who really believe we have to have tax fairness and fair trade agreements. It is a party that refuses to abandon the poor, the ill and the vulnerable, when right now that seems all too popular.

• (1525)

[*Translation*]

Unfortunately, it was a time when political life seemed somewhat suspect. There is less respect for politicians. However, despite all of our country's problems, I am proud to be a member of Parliament, proud to work for my country and for my territory, the Yukon. We are a diverse country with a strong sense of history, a country built by the first nations, the anglophones, the francophones and the allophones.

[*English*]

We are a diverse country, made up of many peoples. We have many challenges to meet in the 21st century. It will take the contribution of every Canadian to move us forward with pride in this heritage and hope for our future.

Speaker's Ruling

I have sometimes despaired about the political process and wondered if we could really do this, but I have never doubted that in this most imperfect of systems, we are engaged in the noble process of public service. It is for this reason that I feel privileged to continue as the member of Parliament for Yukon and to continue to serve Canada and my constituents. I look forward to working with our new leader, Alexa McDonough.

The Speaker: As always, the last few words go to your Speaker.

Although I do not allow the rules to be broken often, many members addressed the hon. member for Yukon as Audrey.

Audrey, most of us in the House are honoured by this beautiful House of Commons. I say to you, on behalf of our colleagues who have chosen me Speaker, that you, Audrey, have honoured this place and we appreciate having you with us.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

BILL S–9—SPEAKER'S RULING

The Speaker: Colleagues, I am now ready to rule on the point of order raised by the hon. member for Gander—Grand Falls on October 4, 1995 concerning the procedural acceptability of Bill S–9, which is on the Order Paper today, an act to amend the Canada–United States Tax Convention Act, 1984.

At that time the hon. member brought to the attention of the Chair the possibility that a bill from the Senate, which had been read a second time in the House and referred by the House to committee, might impose expenditures on the Government of Canada.

As all members know, Standing Order 79(1) and section 54 of the Constitution Act, 1867, require that the House of Commons shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue or of any tax or impost to any purpose that has not been first recommended to the House by a message from the Governor General. In short, a royal recommendation must be obtained.

In addition, section 53 of the Constitution Act, 1867, states:

> Bills for appropriating any Part of the Public Revenue, or for imposing any Tax or Impost, shall originate in the House of Commons.

It is the duty of every member of this House to be vigilant in this regard and to scrutinize bills no matter where they originate.

Bill S–9 has not just arrived in the House. The message from the Senate was received on May 3, 1995. The bill was read a first time on June 14 and was read a second time and referred to the Standing Committee on Finance on September 21.

Speaker's Ruling

Although the bill is now coming to the House for report and third reading stages, the Chair does accept the explanation given by the hon. member for having raised this matter so late in the legislative process since his point of order is based on information received during the finance committee's deliberations on the bill.

• (1530)

I wish to remind all hon. members of citation 319 of Beauchesne's sixth edition, which requires that points of order be brought to the attention of the Chair as soon as possible.

I want to thank the hon. member for Gander—Grand Falls for raising his concerns. I would also like to thank the hon. members for Willowdale, Regina—Lumsden, and York South—Weston and the parliamentary secretary to the government House leader for taking an interest in this matter and providing the Chair with their views on what is described in Erskine May's 21st edition at page 67 as "the most important power vested in any branch of the legislature, the right of imposing taxes upon the people and of voting money for the public service".

I want to assure the House that I view this matter very seriously and I have thoroughly studied the situation.

[*Translation*]

In his presentation, the hon. member for Gander—Grand Falls argued that the provisions of Bill S–9 would impose expenditures on the government by reducing taxes on profits made by American multinational corporations in Canada. He also stated that the bill would require the government to pay a tax credit to persons subject to estate taxes in the U.S. Therefore, the government would suffer "a loss in tax expenditures for all time to come". The hon. member for York South—Weston also spoke to this point.

In his submission, the hon. member for Gander—Grand Falls made reference to two rulings given by my predecessor Speaker Lamoureux on November 12, 1969 and on June 12, 1973. I have examined these rulings very carefully. In both cases, the bills brought down from the Senate very clearly contained provisions requiring expenditures by the government and Speaker Lamoureux quite rightly ruled that these bills infringed the privileges of the House of Commons. Both bills were set aside. However, these two precedents do not, in my opinion, apply to our present circumstances.

[*English*]

From my research, the substantive changes to the Canada–United States tax convention dealt with in Bill S–9 appear to relate to reductions in the rate of withholding taxes applied to different types of payments, for example, to dividends paid by a company resident in one country to a company in the other country owning more than a certain percentage of voting stock in the first company.

The bill will also have the effect of granting some tax relief retroactively and there may be some reimbursements payable for taxes paid under the law as it now reads, should Bill S–9 be passed by the House and receive royal assent.

The bill does not appropriate tax revenue, but rather exempts or reduces taxes otherwise payable, in some cases retroactively.

[*Translation*]

As members know, when the House is dealing with tax measures, members may propose amendments to such bills so long as they do not exceed the scope, increase the amount or extend the incidence of any charge upon the public.

[*English*]

No amendment may be proposed that would increase the rate of tax nor extend its incidence to a new class of payers without the recommendation of the Crown. In their search of such measures committees may also propose such reductions. I would refer hon. members to citations 988 to 991 of Beauchesne's sixth edition on this point.

Citation 992, also dealing with the powers of House committees with regard to tax bills, states:

> So long as an existing tax is not increased, any modification of the proposed reduction may be introduced in the committee on the bill, and is regarded as a question not for increasing the charge upon the people but for determining to what extent such charge shall be reduced.

• (1535)

It must also be borne in mind that members of this House can initiate and have initiated bills to lower taxes. So too can the Senate. And there is a longstanding practice for the government to introduce such bills in the other place at its discretion.

The parliamentary secretary to the government House leader noted in his intervention that Bill S–9 is not a bill for appropriating any part of the public revenue or for any tax or impost and therefore does not require a royal recommendation. There will be no expenditure of public funds, though money already collected from Canadian citizens pursuant to the tax laws of Canada may be refunded.

As the parliamentary secretary pointed out, the repayment of tax revenues already received is not an appropriation of public money. Thus, the bill could be properly introduced in the Senate.

In conclusion, Standing Orders 79 and 80 have not been contravened, as Bill S–9 neither imposes a tax nor appropriates money for any purpose. Since the bill relinquishes funds it might otherwise have gained, it is not appropriating money but forfeiting revenue it would have raised without such changes.

Once again, I thank the hon. member for Gander—Grand Falls for his diligence in guarding the privileges of the House by bringing this matter to my attention.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

WOMEN'S HISTORY MONTH

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, today we are celebrating Persons day, the highlight of women's history month.

This is a time to celebrate the contributions of women to Canadian society, a time to be proud of the remarkable progress Canada has made toward equality for women and against actions of racism and sexism.

[*Translation*]

The Fathers of Confederation made the original blueprint of Canada in 1867. However, it took until 1921 for women to earn the right to vote.

Nonetheless, throughout history, the women of Canada—in all their diversity—have prevailed. They have shaped the values of this great country: democracy, tolerance, generosity, fairness, and respect for human and minority rights.

Today we celebrate five intrepid women from Alberta who won a court case in 1929 that changed the lives of all Canadians. The court's decision made women legal "persons" under the constitution. And that made them eligible for appointment to the Senate.

Today we have the largest representation of women ever in the Parliament of Canada, in the Commons as well as in the Senate. With the charter of rights and freedoms, the constitution now guarantees women and men equal rights and freedoms as full partners in our society.

[*English*]

Women have made great progress toward equality, and that means progress for Canadians and for all of Canada.

• (1540)

Today we recognize women's issues as societal issues. We recognize and realize that women's equality is in the best interests of Canada. All our talent and all our potential in all the socioeconomic and cultural fields of activity must be used as we progress to face the challenges of the 21st century. That is why we must keep up the momentum toward our global goal of the universality of women's human rights, for they are inalienable, integral and indivisible.

The government has approved a plan of action to ensure that women's equality is kept on track. The federal plan for gender equality, equality for men and women, which was tabled prior to our departure for the fourth world conference on the status of women, deals with the real issues of the day. Those issues are action for the economic empowerment of women, action to support women entrepreneurs, action to promote employment equity so women can have a fair chance at the jobs of today. These measures and others, along with social support systems, can help women and their families rise out of poverty.

Make no mistake, the family is the basic unit of society and must be supported in all its forms. We need healthy, vital families and women's economic independence. That can help. It can allow women to escape domestic violence. There is a direct link between economic independence and violence. That is just one reason why we will continue to work on eliminating the violence that limits women's ability to participate in and contribute to society. We have taken measures such as stricter firearms control, a new anti–stalking law, federal subsidies for shelters for battered women.

Economic empowerment means recognizing and valuing the important role of women's unpaid work as homemakers, as caregivers, as volunteers, as those who look after the elderly. This work has value of great worth in our caring and sharing society.

[*Translation*]

That is why the 1996 census will include a question on unpaid work.

The federal plan also puts women at the heart of government decision making. It requires that every policy, program and law be developed with the impacts on women, as well as men, in mind. Let us not forget that women represent half of Canadian society. We are not a society of special interests but a society built by both men and women over two centuries.

We also have a global plan: the platform for action on women's equality adopted at the recent UN World Conference on Women in Beijing.

I am proud to say Canada played a leadership role in securing a strong agreement on the rights of women and girls in Beijing, which was signed by 189 nations attending the conference.

[*English*]

I am also proud to say that Canada's leadership on equality was recognized with two awards: a prestigious United Nations prize for advancing literacy, thanks to the initiatives in New Brunswick; and Canada was honoured with the global award for the most improvement in the status of women over the last decade. In making the award the International Federation of Business and Professional Women commended Canada for its steady and remarkable progress in advancing equality for women. This was acknowledged and awarded after 110 countries were carefully examined. Canada was not found wanting. Canada was found head of the pack.

The way to the future is clear. Canadians must continue that progress to a true partnership between women and men. This is imperative as we face an increasingly complex global society.

In closing, I want to extend my heartiest congratulations to the six women who were honoured today. Each of them were pioneers in their own way. Each of them fought against violence and fought for an integrated and accepting society. We owe them a great debt of gratitude. I extend them my best regards.

• (1545)

[*Translation*]

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, I am very pleased to speak about this victory for women which my colleague, the hon. secretary of state, has pointed out was a concrete step toward equality for women. The 1929 legal victory was an important step in this egalitarian undertaking, I agree. It represented a significant milestone in terms of democracy.

Other victories followed, as we know, perhaps less striking ones but equally important: women's influx into the work force; improved education for women; their entry into non traditional employment; the creation of daycare services; their presence on various boards, I could go on and on. yes, Canadian women and Quebec women have made progress, and they must be congratulated and encouraged to continue.

I shall make use of this opportunity to explain to my colleagues why, very soon, Quebec women will be deciding to continue their progress on their own. Although they have made definite progress, as I have said, the women of Quebec will be able to progress a little faster on their own, with the weight of the federalist yoke lifted from their shoulders.

Quebec women will be well protected by the Quebec charter of human rights, which will reaffirm equality and the rights of women. They will continue to be well served by the civil law system, under which they have equal status and equal rights with men.

In a sovereign Quebec, Quebec women will be ensured of the survival and the dynamism of their language and culture. They will no longer have to worry about the survival from generation to generation of things I know are of concern to them: culture, language, education, and employment. Quebec women will continue to progress under a democratic political regime, with an equal say in drafting the constitution of their new country, with their rights to equality reaffirmed.

Quebec women will make even more gains under a democratic Quebec, within a system in which social rights will be the focus of the state's actions. They will benefit from a family policy focused on their needs and those of their children, a policy free of the constraints imposed by the present federal system, which makes policy harmonization impossible.

Mrs. Finestone: Really.

Mrs. Gagnon (Québec): Please, madam secretary of state.

In a sovereign Quebec, free of Ottawa's centralizing goals, women will clearly benefit from a policy of full employment coupled with a social policy that reflects the effect of their participation in the working world. I am talking here of policy on child care, working conditions in keeping with family responsibilities and employment equity. Where are the daycare places so long promised by the federal government? They were promised, and we are still waiting. Yet we are paying the federal government to have these places created.

Quebec women will have the advantage of a unique system of manpower planning and training. They will have the benefit of a system that is decentralized in favour of the regions, the prime sources of human and business activity.

Finally, Quebec women will move far beyond the endless battles and constitutional red tape and will focus their energies on improving the quality of their life, that of their children, their husband and their fellow Quebecers. This was the request of the participants in the women's march on poverty, last June's bread and roses march, which was undertaken on behalf of all Quebec women. This is what the Government of Quebec is proposing and is committed to promoting.

In conclusion, Quebec women will quicken their step toward equality by dropping a level of government, which is preparing to sacrifice them on the altar of economics and which is preparing to impose cuts on their old age pension and unemployment insurance cheques, by tying these benefits to the family salary in the new reform of social programs. They will drop a level of government that is useless, costly and more concerned about the interests of major corporations than about the grocery bill of single parent families.

I am appealing here to Quebec women's common sense and administrative talents to get them to realize that savings are possible by eliminating overlap and duplication.

• (1550)

It is by taking control of their own destiny, by becoming self–sufficient that Quebecers, like Quebec, will grow from now on, in friendship with their Canadian sisters and without forgetting the progress that has already been made. There is, however, much more to be done in this area, and I think that the federal government should first deal with women's economic equality.

Women in the public service still earn only 70 per cent of what men make. Something must be done, and I urge the government to move from rhetoric to action.

It is said that women's economic independence is important and could reduce violence against them. I call on the government to take measures to ensure that women are paid as much as men for doing the same work. I urge the government to think about the action plan for gender equality.

The study the minister referred to earlier, the federal plan, puts women at the heart of government decision making. This plan requires that every policy, program and law be developed with the impacts on women, as well as men, in mind.

I exhort the government to be very vigilant regarding the reforms contemplated by the Minister of Human Resources Development, for example, cutting UI and old age pension benefits and setting women's benefits on the basis of family income. We know full well that benefits are often based on men's higher wages, and we fought against this.

What does this mean for a woman who receives her first old age pension cheque at 65 and whose husband earns a certain salary? It is often the first cheque these women have ever received. This cheque also represents economic independence, a little bit of economic independence for women.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is indeed a pleasure to rise in the House today to recognize and commemorate the Persons case from 1921, especially in the midst of great parliamentary diversity of opinion and focus as we speak today.

I would like to first congratulate all of the women today who received Governor General's awards: Marthe Asselin Vaillancourt, Dr. Mary Cohen, Ruth Flowers, Sheila Kingham, Carolyn Thomas, and Alice Taylor, who are all being recognized for their efforts toward making Canada a place in which all are treated equally. These women stand for everything that has gone right in Canadian history.

Look at the progress that has been made in Canadian society since 1929 when women received the right to vote. Today I refer and indeed also defer to those five Albertans, women all, who challenged successfully the convention of their day to bring the vote to women.

The secretary of state briefly mentioned the importance of family in society. This is a message that is sometimes forgotten or passed over when we are caught up in the singular focus of women's issues. As a party we affirm the value and dignity of the individual person and the importance of strengthening and protecting the family unit as essential to the well–being of individuals and society. Hopefully, this is a principle about which we may all agree, because once we have agreement we will have a fundamental basis from which to move forward.

We constantly hear comments and stories about women doing things differently and having different approaches to communicating. This is true, and perhaps more so for the women we recognize today as they receive the Governor General's award for their contributions to society.

Let us also look to history and in particular to Agnes Macphail and Nellie McClung, extraordinary women indeed. They broke ground for women today and they did it because they were focused, had strong convictions, and they also had a creative edge to bring their point home.

These women of the early suffrage movement had a sense of humour, were thoughtful in their world view, and for the most part could handle themselves well in difficult situations. For example, at a rally held in 1915 a heckler yelled at Nellie McClung: "The Prime Minister would quit politics if a woman were ever elected". Well, Nellie did not wilt. Instead, she replied: "This proves what a purifying effect a woman would have on politics".

• (1555)

McClung was no shrinking violet. She was fair minded, good humoured, and determined. These qualities typify Canadians and also my colleague from Yukon who was honoured by the House today.

We still need to work to guarantee equal opportunity for all. We may disagree on the quality of outcome, but whether we agree or not, when we as women engage in debate we must still struggle to relay our message.

McClung staged demonstrations to make her point in her time. In recent memory, one member of this House is said to have hiked up her skirts and jumped over a desk to make her point. Another member, this member, sat on the hood of a sports car to make hers. John Crosbie and the modern feminist movement are still shaking their heads.

Let us look at Agnes Macphail. When she first entered the House of Commons as Canada's first woman MP in 1921, a Commons employee tried to stop her at the door of the Chamber.

She entered anyway, while he shouted, "You can't go in there, Miss". Once inside, Macphail was touched to find a bouquet of roses waiting on her desk, but was humiliated later to learn that they were the penalty a male MP paid for betting she would lose the election in her Ontario riding.

Since women were given the vote in 1929, tremendous advancements have been made. Some of them have come amazingly late, but still we achieve. We have gone through periods when women and men toiled apart as changes occurred. We are finally coming to a place where we recognize that men and women together and as equals can create the kind of country we all want to live in.

I would like to extend again my congratulations to all the recipients of the Governor General's awards today.

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 90th report of the very hard working Standing Committee on Procedure and House Affairs regarding membership of committees.

If the House gives its consent, I intend to move concurrence in this report later this day.

[*Translation*]

Mr. Speaker, with the leave of the House I move that the 90th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

[*English*]

PETITIONS

EUTHANASIA

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, I would like to table a petition pursuant to Standing Order 36 signed by many people in the Ottawa area and having to do with euthanasia.

SEXUAL ORIENTATION

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition from my riding of Prince George—Bulkley Valley that deals with an opinion and a belief that is shared by a majority of Canadians right across this country. It deals with the fear that the privileges society extends to heterosexual couples could some day be extended to same sex relationships.

The petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

This petition originated in the College Heights Baptist Church of Prince George. I am proud to say that I concur 100 per cent with this petition.

• (1600)

NATIONAL UNITY

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, pursuant to Standing Order 36, it is my pleasure to present the following petition from the county of Haliburton.

The undersigned residents of the county of Haliburton and visitors draw the attention of the House to the importance of national unity to our country at this time.

They therefore request Parliament to urge the government to impress upon the leader of the Reform Party the need to promote national unity in this very unfortunate situation in which our country finds itself.

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating all across Canada. The particular petition has been signed by a number of Canadians from Mississauga, Ontario.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following question will be answered today: No. 193.

[*Text*]

Question No. 193—**Mr. Hanger:**

What was, in fiscal year 1994–95, the total cost to the Department of Health of providing health care to claimants of refugee status in Canada; what was the projected amount for this line of spending in the 1994–95 estimates or supplementary estimates; and how does the Department of Health expect to cover any shortfall resulting from refugee health spending overruns?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): It should be first mentioned that as a result of a memorandum of understanding between the former departments of National Health and Welfare and Employment and Immigration Canada signed on March 1, 1993, resources relating to the interim federal health, IFH, program, formerly the non–insured health benefits, NIHB, program were transferred to Citizenship and Immigration Canada, CIC, from Health Canada, HC, effective commencing in 1993–94. It was also agreed at that time that HC would continue to deliver the program on the department's behalf. Subsequently, CIC assumed responsibility for the delivery of the IFH program on April 1, 1995.

In fiscal year 1994–95, under the interim federal health program, Citizenship and Immigration Canada spent $7.1 million in providing health care services, mainly to refugee claimants across Canada. Until January 1, 1995, Ontario was the only province which provided health care coverage to refugee claimants. As a result of the recent decision of the Ontario government no longer to provide health care coverage to refugee claimants and given that, starting April 1, 1995, only emergency/essential services will now be provided under the IFH program, it is estimated that total program costs will increase by $15.0 million for a total of $22.5 million in program spending in 1995–96. This level of spending is expected to continue in future years.

Pending Treasury Board approval, additional program funding will be obtained through the supplementary estimates process as a result of Ontario de–insurance of refugee claimants. Specifically, the department's 1995–96 reference levels will be increased by an amount of $15.0 million as will the future years' reference levels.

The projected amount for this line of spending in the 1994–95 main estimates and supplementary estimates was $7.5 million.

At present, in light of CIC's additional appropriations as a result of Ontario de–insurance, no shortfall exists within program funding. Should costs exceed available funding due to an increased number of program beneficiaries and the health status of these persons or as a result of amendments to provincial fee tariffs upon which IFH payments are based, it is planned that additional resources will be obtained through the estimates process.

[*Translation*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if question No. 146 could be made an order for return, that return would be tabled immediately.

[*Text*]

Question No. 146—**Mr. Axworthy:**

With respect to the government's actions to curb contraband trade in cigarettes in Canada, announced on February 8, 1994, (*a*) what estimates, if any, were made for (i) increased consumption of cigarettes in all populations, (ii) increased smoking prevalence among Canadian youth, (iii) impact on current and future mortality and morbidity; and, if not, why not, (*b*) what estimates, if any, of future levels of contraband trade in cigarettes were made of the market share of contraband cigarettes in 1994, 1995, 1996 and 1997 and what estimate was made of revenue loss due to contraband sales in 1994, 1995, 1996 and 1997 and, if not, why not?

Return tabled.

[*Translation*]

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

The Deputy Speaker: Agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

The House resumed consideration of the motion that Bill C–64, an act respecting employment equity, be read the third time and passed.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, Bill C–64, the new employment equity act, was designed to resolve longstanding problems with the existing legislation and meet our government's red book commitments. It is part of the government's work toward achieving an open and inclusive society.

The legislation reflects the values of the government. It reflects the values of respect and understanding. The legislation is about fairness. It is about providing an equal playing field. Above all, the legislation is about making sure that all self–identified, qualified Canadians have a fair chance to compete for federal public sector jobs based on their merit.

The legislation continues to cover a total of 350 private sector employers and crown corporations that operate in federally regulated industries such as banking, communications and transportation. The legislation expands coverage of the employment equity act to the public service immediately. It also includes the Canadian Armed Forces and the RCMP.

There are four designated groups which continue to be designated: aboriginal peoples, members of visible minorities, women and persons with disabilities. The principle of self identification is reaffirmed and definitions of the groups are in the legislation.

The legislation carries enforcement measures. It ensures that the Canadian Human Rights Commission has the mandate to conduct on site compliance reviews. It also confirms the administrative responsibility for the federal contractors program to the Minister of Human Resources Development. It makes use of the Canadian Human Rights Tribunal which when hearing employment equity complaint cases will be called the employment equity review tribunal. This body will hear appeals from employers and referrals from the CHRC and ensure the final enforcement of the act.

With regard to the designated groups under the legislation they continue to be under represented as well as under valued in federal agencies and in federally regulated industries.

A recent study conducted by Krishna Pendakur of Simon Fraser University and Ravi Pendakur entitled "Earning differentials among ethnic groups in Canada" found that similarly qualified Canadian born visible minorities earn about 11 per cent less than Canadian born white people and that immigrant visible minorities earn 15 per cent less than Canadian born whites.

• (1605)

We are also familiar with the term glass ceiling, barriers to upper level management faced by many women and minorities in companies and agencies. This issue is addressed in applying more effective employment equity legislation.

We also found through partnership with the Canadian Advertising Foundation, the Asia–Pacific Foundation and the Conference Board of Canada that being sensitive and responsive to diversity is good for business. It makes economic sense and it is the fair thing to do. Companies that are sensitive to the diversity of the reality of Canada, that is the Canadian population, and companies that have made a commitment from the top down that they will be reflective of the people of this land have the key to the future: economic security. This is real at the local, national and international level.

Fairer access, meritorious advancement and equality of opportunity are key for all corporations that want to compete in the global marketplace. Our Canadian people often reflect and know the cultures of the new global markets. Why not use our diversity as a valued competitive edge to our mutual benefit? Global business is multicultural, multilingual and multiracial. Anyone travelling would know that; anyone in international business knows that.

Applying the rule of self–identified employment equity laws is an important tool to effect real institutional change, which is in the best interest of all Canadians and is an incentive for people to self–identify or to identify themselves.

This is a bill with a heart, one that recognizes the reality of Canadian business life. It clarifies existing obligations and helps to widen the circle of inclusion in our workforce at all levels. It does not force employers to create new positions, require the hiring or promoting of unqualified individuals, or contradict the merit principle in the public sector. It is about fairness and merit. It would be worthwhile if members opposite would keep all these issues in mind when speaking to this matter and tell the truth about what is in the bill.

It is about fairness and merit. It is about quality, not quantity. The bill does not call for nor is it about quotas for non–qualified members of designated groups.

[*Translation*]

Since the bill on employment equity was tabled for first reading, the members of the Reform Party have had a great deal to say about it.

In fact, it would be more accurate to state that they have had a great deal to say against it. They are rejecting the bill and the reason for their rejection is either that they are against measures in favour of employment equity or that they do not grasp the nature and scope of this bill.

[*English*]

Hon. members must recognize that this will simply not happen by crossing our fingers and hoping that we will achieve our goals of access, equity, fairness and a starting chance for self–identified minorities who wish to have consideration and to be included in the enlarged circle of the family of Canada.

In order to reach this goal some of the CHRC's responsibilities are education, awareness and sensitization to our multicultural reality. It will enable companies touched by this law to effect institutional change over time. We broadened the circle of representation through encouragement and education rather than through coercion. We do it because it is the right thing to do for Canada's qualified population by addressing whatever systemic barriers may be present that inhibit the representation of our diversity.

Before I close I highlight the Bank of Montreal as an example of a corporation that has demonstrated its commitment to create both an equitable workplace and a workforce that reflects the community it serves and a leadership that believes in fairness and a widened circle of service to the grassroots, the people they want to do business with.

• (1610)

It has published a report of its task force on the advancement of visible minorities. I would recommend close reading of the report. The main purpose was to identify barriers to advancement faced by members of visible minorities who were in business by the way and were earning well, and to develop action plans to eliminate those barriers for further upward mobility.

The task force recommended that the bank refine its workforce planning process to foster a workforce that reflects the diversity of the community at all levels. It recommended increased participation of visible minorities in leadership roles and the removal of barriers to the advancement of these persons and all other employees. It recommended the bank take action to further enable employees to take charge of their own career advancement and to increase competency based on non–subjective candidate selection. Its final recommendation was to enable employees from all backgrounds to develop the knowledge, skills, attitudes and behaviour critical to success in a diverse workforce.

When one wants to look at employment equity and when one wants to examine the fairness of the approach in the bill, the self–identification, the reality of who we are as a people, the greatness of our diversity and the differences from place to place across the land, it makes more and more sense that more and more Canadians will want to report origins other than British or French because that is who we are. Most of us have origins different from British or French.

The legislation will help set a framework within which all Canadians will have a fair and equal chance to participate in the economic prosperity of our country and in which all Canadians have an interest and a purpose to participate.

I wholly support the legislation. I hope all members of the House join me in ensuring a truly just, fair, equitable and prosperous society, one with which Canada can continue to be the world model it is today.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is my pleasure to address the House on a topic that has thus far provoked spirited discussion.

As its preamble states, Bill C–64, an act respecting employment equity, was introduced by the government with the intention of achieving equality in the workplace and amending the disadvantages experienced by certain groups.

Underlying the bill is an approach to equality which suggests we measure success in terms of results or outcomes. Herein lies a difference in definition as we disagree on the bill. There are two opposing ideologies in the debate: one focused on equality as a process and the other on equality as an outcome.

Process people of which I am one direct their energies to the supply side. They encourage people to train and educate, to deal with values and habits, to promote an open environment where specialization is fostered, to reward merit and to reject discrimination on the basis of extraneous factors. Process people accept the results of a world operating in this fashion, one where the outcome is not predetermined but where individuals have the capacity to manufacture their future. Process people believe in remedial action but choose to limit their response to those truly in need.

Outcome people, such as those who support the bill, are not satisfied with creating equal opportunities for this is not enough. They prefer to manipulate a process, to consciously intervene and to create the results they believe are justified. They construct laws to ensure their overt interventions are safeguarded against legal challenges. The government has already done this, providing a constitutional guarantee that the principle of equality can be supplanted for intrusive and sometimes coercive state goals. I am speaking to section 15.2 of the charter which rejects in plain language the brave assertion of its companion clause 15.1 guaranteeing to all Canadians equal treatment before the law.

The question of defining equality lies at the heart of this debate, I believe. Unlike the equality of outcome as described in Bill C–64, the equality of opportunity nurtures an environment where outcomes are predetermined, allowing society to reward enterprise and initiatives. Opportunity is the cornerstone of a prosperous, creative and thriving culture. It provides a foundation for personal fulfilment and self–actualization. Most important, it enables people to believe in themselves in the sense that they alone control their destiny.

• (1615)

Bill C–64 corrupts this conceptualization of opportunity by placing a higher premium on premeditated intervention to fashion outcomes. This wounds all Canadians and cannot be supported.

Let us focus on the goals of employment equity for a moment. The very goals on which this legislation is premised are flawed, confused and contradictory. Notions of equality, numerical targets and diversity are fraught with problems. Bill C–64 offers equality for some at the expense of others. Numerical targets are flawed by their very design. Establishing targets obscures numerical goals with the idea of equality.

There is a substantial difference between recognizing that certain groups have encountered historical barriers and assuming that all social inequalities are attributable to discrimination.

We must ask ourselves whether men and women would fill occupations in equal numbers in a world of perfectly free choice. The answer is probably not. Similarly, would ethnic minorities appear equally in all work environments? Again,

most likely no. A numbers game simply circumscribes choice and counters any notion of equity.

Searching for the ideal of diversity is yet another confused goal. Does anybody know what diversity in this context really means? As someone aptly suggested, it merely reflects a language of willed ignorance in which the words mean only that the speaker has good intentions.

How can we even begin to consider seriously such legislation when its foundation is constructed on such faulty principles? There is a serious danger in beginning a task when its objectives are distorted by contradiction and imperfection. If I measure a value and our sense of direction is unclear our efforts will surely be wasted.

Another concern relates to the basic question of whether a need for employment equity exists at all. Evidence has surfaced in recent years which calls into question the reasons on which employment equity is based. By making reference to this evidence it is not my intention to disavow the existence of racism and discrimination. Instead I wish to make clear that discrimination and gender alone are not enough to explain the vastly dissimilar outcomes different groups experience in the course of their lives. Culture, religion and family patterns are other reasons which keep people out of certain occupations.

For example, economist Thomas Sowell found that teen marriages are more prevalent in certain ethnic populations. He maintains that women who marry at very young ages do not pursue post–secondary education and therefore limit the range of jobs for which they might qualify. The answer then is not numerical goals and timetables but one of culture and education.

Recent data from a 1995 Statistics Canada study reinforced these ideas further. While it was found that visible minorities were less likely than any other Canadian to be employed in managerial occupations, most likely explained by the fact that they are on average younger than other adults, members of visible minorities were as likely as other Canadians to be employed in professional occupations. In essence the report is confirming that at all levels of the economy visible minorities enjoy rates of employment comparable to those of other Canadians.

How then do we justify Bill C–64? Like other employment equity legislation it treats members of visible minorities of homogeneous groups having the same character, composition and history. This is fundamentally wrong. For example, data reveal that 13 per cent and 19 per cent of Japanese Canadians are employed in managerial and professional categories respectively, while only 8 per cent and 9 per cent are found in manual and service categories. This type of breakdown will necessarily be different when compared with the experience of Filipinos and East Indians for example. All groups are different with compelling reasons explaining their variable representation in the workplace.

Are there alternatives to employment equity? There is considerable evidence to suggest policy alternatives based on equality of opportunity do exist. Many are already an entrenched feature of the Canadian work world. The systemic discrimination found in many areas of an organization's structure suggest we can approach problems without the use of quotas. For example, we can do more as federal legislators to foster equitable hiring in both public and private sectors through the improvement of education which includes special training programs for target groups, academic upgrading, pre–apprenticeship programs, training of all staff in cross cultural awareness to promote a positive working environment.

• (1620)

We can look at dismantling systemic barriers, which would include policies promoting flexible hours which can be of particular benefit to women with young children, people with disabilities who need special transportation systems and workers whose religious requirements may conflict with typical hours of work, and support measures dealing with employment problems including daycare facilities and revised rules for parental leave.

We can emphasize individual achievement so that an individual's training, performance and knowledge, skills and ability are considered paramount in all workplace decisions.

My remarks have addressed equality of opportunity, the confused goals of Bill C–64 and the question of need, highlighting the inherent problems with employment equity and Bill C–64. Social democrats have historically sought to forge links across race and gender lines in pursuit of a common citizenship with equal rights.

In contrast, the government's policies reinforce the notion that the interests of males and females and diverse ethnic groups are distinctive and competitive. Does Bill C–64 really lead us toward the better society to which we aspire? I think not.

[*Translation*]

The Deputy Speaker: I wish to inform the House that because of the ministerial statement, Government Orders will be extended today by 20 minutes.

[*English*]

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, it is my pleasure to address Bill C–64.

While listening in the House today I worry that some of the members opposite have not really understood the vision for Canada or the intent of the bill.

I have followed with great interest the developments in employment equity over the years and it is my contention that employment equity is a fundamental building block for creating a better Canada.

Bill C–64 went before the Standing Committee on Human Rights and the Status of Disabled Persons. This committee heard from a very broad section of witnesses and in its report endorsed the new features of Bill C–64 and recommended additional amendments. The act covers all federally regulated companies with 100 or more employees. Bill C–64 will bring the federal public service, its departments, agencies, boards and commissions, into line with standards already set for federally regulated corporations.

The changes Liberals will implement to strengthen the Employment Equity Act include the federal public service and federal agencies and commission under the Employment Equity Act. We will also give the Canadian Human Rights Commission the legislative authority to initiate investigations of employment equity issues.

Efforts to eradicate discrimination in the workplace and in hiring practices have been under way at the federal level since the enactment of the 1970s human rights legislation. In 1993 it became evident to the Liberal government of the day that voluntary measures toward achieving equity in the workplace were failing to bring about significant changes for women, aboriginal peoples, visible minorities and persons with disabilities. That is the key because they tried to achieve it through voluntary measures and it did not work.

On December 12, 1994 the human resources minister tabled in the House Bill C–64. He stated: "This initiative is a significant step toward ensuring equitable employment opportunities for women, aboriginal peoples, persons with disabilities and members of visible minorities".

Most of us come into the House with a prepared speech, but sitting in my office and watching the TV monitor I heard so many nefarious statements from across the floor that I am going away from my prepared notes to address some of the things that were said. One that concerned me was with regard to quotas.

The bill is not about quotas. They kept referring to the charter of rights and freedoms and quoting it. The bill is certainly not in conflict with what is being said in the charter of rights and freedoms.

The merit principle in the bill should be and is the sole basis of hiring. I think anyone who sees anything different within the bill is really not understanding what is being said.

I refer to the member from Beaver River, who went on at great length saying she is a woman in the House and she came here because she is competitive and because of competence. I do not argue that point at all. I would like to think I got here that way as well.

• (1625)

One works hard, does as one has to do, does the same as anybody else running for public office and gets elected. What about all the people who want to run for public office who are just as competent as I am? Maybe this is what the feminist movement is all about, I do not know. Is it not my responsibility to assist if I see someone who would make a wonderful member of the House of Commons? If that person is competent, has the merit and a reason to be here and yet does not have the confidence to project himself or herself on the floor of the House of Commons, does that person not deserve some assistance from someone? I say they do. I am saying this in simplistic language to point out not everybody has the competence to get into the House of Commons.

Getting back to strong women, I want to relate a story in my life before I became an elected official. I was an elected official for 10 years before I came to the House of Commons. Working in an administrative capacity I applied for a position within my organization. I did not get the position. The human resources person said to me: "You are more qualified than the person who is getting the job. You have longer service than the person who is getting the job but we must give it to him because he has a wife and two children".

I had a husband and five children and I could not understand the reason the job was being given to him over me. There was no valid reason why he should get the job. Let us consider a visible minority. In that same organization I was asked by the human resources director to short list the people who were applying for jobs in the department I was in. I gave my list of three people. One was a Jamaican woman. The director's comment to me was: "I am not sure whether our organization is ready for a black woman". That is why we need to offer our assistance and our support for this.

That was not too long ago. I have not been here forever. We have come a long way. We have all had examples in our lives of being held down or held back for the wrong reasons.

Somebody from the other side of the House had said that white young males will rise up in anger. My goodness, white young women or black young women or whomever should have been rising up in anger for years and years and never did until now. It is about time they did.

I sat on the committee on human rights and the status of disabled persons. We heard from people with disabilities about how their rights are constantly being violated. I will tell a little story about a Saskatchewan farmer.

This farmer had lost both his arms in a farming accident. He had prostheses from the elbows down on both arms. He relied on his son and his wife to help with the farming. When he appeared before the committee he said: "When I buy a huge harvesting machine I have to pay about $60,000 more for this machine than what my able bodied neighbour has to pay because I need to

have equipment that my two prostheses can handle". Is that fair?

That man was in business and he was being discriminated against through the cost of the machine because he had two artificial arms. That man needs our help. We should offer him our help. I love telling all these little stories but I sure have strayed away from my speech.

Canada today is a very different society than it was 50 or even 20 years ago. Today we as women want and need to look after ourselves financially. At the same time we want to know those who cannot are being treated equally. Our aboriginal peoples are demanding self–determination and persons with disabilities want to be fully integrated throughout society. New Canadians want to fully participate in all aspects of Canadian society.

• (1630)

Canada is a changed society, one where these four groups are expressing specific needs that must be addressed. It is a society that requires the contribution of all our citizens and this piece of legislation addresses this changed society.

It is through employment equity that we will ensure that the skills and abilities of all Canadians will be fully utilized. It is through employment equity that we will one day eliminate the social and economic costs of marginalizing big numbers of Canadians. By ensuring that these four groups take their rightful place in the Canadian labour force, a more vibrant and productive society will emerge.

This bill will lead us toward a fair and just society by making us examine our assumptions of what is the right way to do business. It will make us question hiring procedures that have in the past always found qualified individuals for the job. I will give you an example of where it does not always work.

It will lead us there by teaching us through awareness training to feel what it is like to be excluded from the workplace simply because your disability stops you from getting up the stairs to the work site.

It will lead us there by encouraging us to make accommodations for mothers and fathers who take the needed time from work to look after their youngsters. It will lead us there by teaching us that those people whom we thought would be difficult to manage are many of our most valuable employees.

For this reason I encourage all members of the House to vote with a resounding yes for this legislation, a resounding yes to a better nation.

The Deputy Speaker: Colleagues, I would ask you please to put your remarks to the Chair. The Chair feels very lonely often in some of the debates that go on.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am pleased to speak to Bill C–64. I want to preface my remarks by making a comment on behalf of all the members of the Reform Party. We do not support in any way, shape or form discriminatory hiring practices. We do not support the premise that a person from one of the four groups mentioned in Bill C–64 be denied a job based on the fact that he or she is within one of these four groups. To have some of the previous speakers of the Liberal Party allude to that is utter nonsense.

At the same time, I do not support and I know many of my colleagues do not support the fact that someone would be hired specifically because he or she is part of one of those four groups. Let us be very clear about what the Reform members are trying to say in the House today.

I was really pleased that I was present today when we saw Ms. Alexa McDonough presented to the Chamber today. She was just elected president of the New Democratic Party, not because she was a woman but because she had the confidence of the delegates of the NDP convention that she was the best person for the job. I congratulate her for that.

We heard today in the House from the hon. member for Edmonton—Strathcona about a Mrs: Chicoine who was awarded a Canada Volunteer Award Certificate of Merit not because she was a woman but because of the efforts that she put into doing the things that she truly believed in.

We heard earlier today from a member opposite about a woman who had just received an entrepreneurship award of merit in an international competition for a process that she created and developed regarding the use of furs. She did not receive this award because she was a woman. She received it because of the creativity, the training and the work she put into her business.

• (1635)

We heard about the women from Alberta who were honoured today in Ottawa for their service to their country. They were honoured, not because they are women but because they believed so passionately in something that they readied themselves for the task and they succeeded. They succeeded not because they were women but because they wanted to succeed.

If the principles of Bill C–64 were applied to the women who were honoured today in the House, they might very easily find it insulting. There could be the allusion that they received these awards or accomplished their tasks simply because they were women and not because of their own individual efforts.

All members in the House, including Liberal members even though they will not admit it, are aware that Bill C–64 will impose employment equity provisions on the public service and on those firms that have over 100 employees and do business with the federal government. I use the word "impose". They use the term "employment equity". The term "employment equity" was coined by Justice Rosalie Abella in 1984. It is a convenient term for our Liberal social engineers since it is much more deceptive and less threatening than the term "affirmative action".

In the United States people call it like it is, affirmative action. That is exactly what employment equity really is but it is called employment equity to make it a less threatening term.

We are all aware that affirmative action or employment equity, whatever one you choose, is not working in the United States. Recently the U.S. Supreme Court dealt affirmative action a severe blow. It ruled in favour of a Colorado company that brought an action against the U.S. government because the government had awarded a contract to an Hispanic controlled company despite the fact that the Colorado company submitted a lower bid and was more qualified to do the work. This was because of affirmative action or employment equity. Naturally the U.S. government's rationale for taking such a course of action was rooted in its affirmative action policy.

While this recent decision in the states does not spell the end of affirmative action in the U.S., I and those who believe employment would be better based on merit would hope that it signals a return some day to common sense and fairness.

The Americans have gone through the process and have experienced the detrimental effects of affirmative action policies. Here we are in Canada, with a Liberal government that is hell bent on pursuing it. Do we not learn from the experiences of other countries?

We cannot even find common sense and fairness in our Constitution. Section 15.2 of the charter of rights and freedoms entrenches employment equity in the Constitution. However, if we read the section we note that it specifically overrides section 15.1, which is intended to promote equality among all Canadians.

The charter of 1982 is drafted in typical Liberal fashion. It promises something but only if the state can have absolute control over it. That is a scary thought. Promise equality but deliver on the promise only when the state decides where and when equality will exist. Is that not a scary thought, that the state will decide where and when equality will exist? This is the effect of section 15.2 of the charter.

Now we are facing Bill C–64, a manifestation of section 15.2, a bill which arbitrarily discriminates against one group in favour of another. However, these Liberals will tell us that discrimination will not result from this bill. Just because some groups are being promoted over other groups is not discrimination. It is equity. That is the Liberal's definition of the word equity. Their social engineer's vocabulary does not end there. It goes much further. The Liberals argue that Bill C–64 will not set quotas but rather numeric goals.

• (1640)

As David Frum wrote recently, speaking of numeric goals and deceptive wording: "It is also true that undertakers say casket instead of coffin and loved one instead of corpse. Does it make Aunt Tilly any less dead by changing the words around so that they sound a little less threatening?"

We must ask if we really need Bill C–64. Where is this systematic discrimination that is constantly referred to by the proponents of employment equity Bill C–64? Where is the proof? Where are the statistics and hard numbers? There are none. In fact the Economic Council of Canada, which I am sure the Liberals recognize as a respectable body, did studies in 1991 and 1992 which found Canada successfully assimilates its newcomers and that there was no evidence of systematic pay discrimination. Furthermore, a Statistics Canada report this summer demonstrated that visible minorities enjoy rates of employment and rates of pay comparable to that of other Canadians.

Therefore, we ask where is the proof. Systematic discrimination is in no way entrenched in the Canadian workplace as these Liberal social engineers would have us believe. Indeed, in pushing Bill C–64 without any hard evidence to back it up, it seems that the Liberal government and its special interest group cohorts that helped it get elected, would declare Canadian firms simply guilty by accusation.

I forget that these Liberal members have proven that they know little about law and order. Therefore, such concepts as innocent until proven guilty would simply mean nothing to them.

Ultimately, employment equity or affirmation action as it is more correctly known, is in fact a lose–lose situation. People who have become victims of employment equity legislation demand that it be scrapped and merit be returned as the sole principle for hiring and promotion.

Typical of the government, it tends to march to the beat of a "we know what is better for you" attitude, in economic, judicial and social matters and therefore it will continue to dictate to us. This Liberal government and Liberal governments for the past 30 years have been intent in getting in the face of free and independent Canadians. I say Bill C–64 is another attempt to do just that. I therefore must oppose it.

[*Translation*]

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for The Battlefords—Meadow Lake—Endangered species; the hon. member for Mackenzie—Agriculture.

[*English*]

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I am pleased to be able to speak today. I have gathered up some comments from the speeches of the members for Beaver River and Calgary Southeast and the member for the Reform Party who just spoke. What they have done is typical of what the Reform Party does in debate, particularly on this legislation. They have refused to either read it or, if they have read it, to acknowledge the actual content of the bill.

• (1645)

If the bill were operating in a vacuum, if we were making no effort in any other area of society or in any other form of legislation to improve the lot of Canadians, I might oppose it as well. The bill is part of a package. It is part of our platform set out in our red book. Beyond that it is part of a package of legislation we intend to use to improve the lot of Canadians. By improving the lot I mean by making our communities healthier, economically healthier and safer.

We have tried to take other steps to assist people who do not have the same advantage as the last speaker. We have improved our student loan programs so that we are offering funds to encourage women into areas where they have not traditionally sought training in the past. We have a student loan program which encourages the participation of persons with disabilities.

We are revamping our social programs in order to take away the systemic barriers that exist for single mothers who are untrained and also unable to go back to work because they have no one to take care of their kids. We are taking a look at child care as a form of social program which will support our effort to get Canadians back to work.

Bill C–64 is a clear example of how the Liberal Party delivers on its promises. In the red book we said we would strengthen the Employment Equity Act and that is exactly what Bill C–64 does. This legislation is deeply rooted in our country's conscience. In our Constitution every individual has "the right to equality before and under the law and equal protection and benefit of the law".

The Reform Party in general and certainly the last speaker do not like the charter very much because they think protection of the individual should be limited, that the application of the charter should be narrow and that only those they say are deserving of its protection should receive that protection.

The Canadian Charter of Rights and Freedoms specifically recognizes the rights of the individual and specifically recognizes that special programs are needed and that they are allowed in order to benefit those who are discriminated against in our society. That is what this bill addresses after all.

At the end of the day the bill is there because there are people who suffer in employment today because of accidents of their birth or accidents of their lives, accidents like colour, race, sex, disability.

We believe employment equity is about building a more caring and a more just society. It holds up a mirror to the fundamental principles that we all hold dear and it seeks to create a level playing field while providing practical and reasonable employment plans for employers.

Employment equity was conceived under a Liberal government initially drawing on the work of Madam Justice Abella and her commission. It reflects our party's long history of commitment to justice and equality for all Canadians, not just for the privileged classes.

Yet many insist on making the false assumption that federal employment equity is a carbon copy of the American affirmative action policy or of the Ontario bill. This was apparent in the comments of the last speaker and also in the comments of the member for Beaver River.

These speakers claim that Americans and Ontarians are now rejecting legislative efforts out of hand in the area of employment equity. That is simply not true. Bill C–64 is not affirmative action U.S. style. It is not the severe imposition of regulations put forward in the NDP Ontario bill.

Bill C–64 is really about fairness in the distribution of jobs. It is not about quotas. It is about levelling the employment playing field. It is not about preferential treatment. It is about fairness in human resources administration. It is not about complex regulations or greater administrative burdens for business.

This is a made in Canada, made in Ottawa bill that has none of the earmarks of the anti–discrimination legislation we might find in other jurisdictions. It certainly does not seek as its goal to attribute blame or to right past wrongs.

• (1650)

Reformers like to draw parallels to the American experience, but our bill differs from American affirmative action bills because our experience and our history differ from America's in significant ways. Our law has none of the excesses of the American program, excesses like inflexible quotas for jobs, quotas on college admissions, quotas on bidding preferences and minority set asides in procurement programs. That is not what is in the bill.

Bill C–64 is not punitive. Instead of penalizing citizens it encourages employers to recognize and use the largely untapped talents of women, persons with disabilities, aboriginal persons and members of visible minorities, members of the so–called special interest groups the prior speaker mentioned. These four designated groups account for 60 per cent of Canadian citizens.

Reformers also cited the Ontario experience but they play fast and furious with the facts. There are no quotas in the bill. Ontario has a third party complaint scheme which is central to the operation of its bill. Ours is more like a planning document for human resources development.

The Ontario bill has very broad regulatory powers which are not present in our bill. The threshold for being caught by the Ontario bill in the private sector is 50 employees. That catches 17,000 employers in Ontario. In our bill the threshold is just over 100 employees and catches only 350 employers. The Ontario bill develops new agencies and tribunals to enforce its act. Ours has no such new agencies.

Just after the Ontario election an omnibus polling of businesses showed they have supported employment equity but not that particular bill. Our bill, which is on a much different model, is much more satisfactory.

Another central feature of our system is our firm belief in flexible targets businesses can reasonably achieve. Under the bill the law is streamlined and clear. There is none of the complex or overlapping regulatory channels found in the United States, nor are there the tremendous regulatory burdens which one would find under the Ontario bill. Enforcement is streamlined, cost effective and relies on negotiated solutions rather than expensive litigation.

One of the main criticisms of the other systems has been their adversarial nature. Bill C–64 takes a consensual approach, an approach of compromise; another great Canadian tradition of helping to bring people together to work in harmony. It is practical. It is well thought out. It addresses inequality in the workplace. It is a uniquely Canadian solution to the challenge of getting the most potential from our highly diverse workforce.

What I am referring to here is the same ethos of fairness which is now driving many private companies to diversify their hirings. Some of those employers have told us how well this can work. Bob Sutherland, executive vice–president of human resources for the Royal Bank of Canada, said: "The Royal Bank has undoubtedly benefited by gaining access to some very talented members of the workforce, many of whom we might not have discovered otherwise".

Dan Branda, CEO of Hewlett–Packard Canada, told a *Globe and Mail* reporter that diversity "is an absolute business imperative because it gives us the edge in attracting the best and brightest people". Are they afraid of the employment equity bill? No.

Employment equity is about every Canadian having the opportunity to know that dignity and security come with a salary. Most of all we are putting into practise the very values which make each of us proud to be a Canadian: fairness, justice and equality not just for a chosen few but for all Canadians.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak on the third reading debate of Bill C–64, an act respecting employment equity.

The hon. Minister of Human Resources Development has described the new employment equity legislation as follows: "This initiative is a significant step toward ensuring equitable employment opportunities for women, aboriginal peoples, persons with disabilities and members of visible minorities".

The President of the Treasury Board has echoed the minister of HRD, suggesting the legislation is necessary to ensure equity and fairness in the workplace.

I suggest this is a snow job by the Liberal government which is masquerading as a beacon of light when it is moving us back toward the dark ages.

• (1655)

I suggest this because governments that have experimented with employment equity have found it does not work and it does not matter how you couch the term. It does not matter whether you say it is not exactly the same as the American employment equity program or not exactly the same as Bob Rae's legislation. The principle is whether it is working. It has not worked in the United States. It was rejected by the voters of Ontario. It was rejected even by the Liberal Party of Ontario.

Meanwhile its elder brothers and sisters in Parliament are pushing ahead Bill C–64, a bill respecting employment equity. It talks about numerical targets or goals. It simply is talking about quotas and it is federal legislation which means it is the law of the land.

It is wrong. It is draconian. It is against the will and wishes of the Canadian people and it is against the prevailing wisdom of those who have experimented with employment equity in its various ways, shapes and forms and who have found it does not work.

The Liberal government has couched employment equity in terms that mask the true intent of the legislation. I heard the hon. member before me saying it is not what we think it is, it is sort of a wishy–washy, mishy–mushy–wushy piece of legislation.

It is employment equity. That is what the bill is called and that is what we are talking about here. I wish hon. members on the other side would have the courage to say they are proposing employment equity rather than saying it is something new that we have never tried that we do not really understand.

The government is going about to ensure equity and fairness in the workplace for all Canadians? I doubt it very much. I believe it is imperative to provide the House with a non–biased, general definition of employment equity. We picked one that members on both sides of the House should agree is fairly accurate.

Employment equity could be defined as results oriented actions that a government department or contractor by virtue of its contracts with the government must take to ensure equal employment opportunity. An employment equity program includes such goals as correcting underutilization and correction of problem areas. In addition, it may also include relief such as payback, retroactive seniority, make–up goals and timetables.

I could speak on a lot of these but I want to briefly talk about the unprogressive manipulation this legislation includes, the goals and timetables the government will surely be following to implement and cement the numerical targets it talks about.

This definition outlines the intent of the legislation. The Liberals undoubtedly have timetables to indicate that certain percentages of employees must be appropriate to women, aboriginal persons, persons with disabilities and members of visible minorities by a certain point. The employment equity policies can be viewed as results oriented, which indicates the results of proportional representation, regardless of qualifications, are the main focus of the legislation.

The Reform Party's position on this legislation is that an employment equity policy is unnecessary. It is ineffective. It is very costly. It is unpopular. Governments lose because they have tried to implement employment equity. It is discriminatory. It is intrusive. It is harmful to designated and to non–designated groups. The equality of all Canadians is recognized by affirming that hiring and promotion should be based solely on merit rather than on gender, race or other distinguishing factors of that nature.

Employment competition based on the merit principle is the key to both equality and productivity. The Reform Party has no qualms with encouraging the recruitment of qualified visible minorities and women through advertising and training programs. Visible minorities and women should then compete on a non–discriminatory, colour blind, gender neutral basis for jobs, promotions or educational positions.

The Reform Party believes discrimination is a heinous offence that needs to be rooted out of our workplace. However, this will not be achieved through employment equity legislation being orchestrated by the federal government. I believe private companies doing contract work with the government and government departments have the proper mechanisms to deal with discriminatory practices. Any problems not addressed by the company or the government department can be appealed to either provincial or federal human rights commissions under the human rights code.

Private companies in particular have a vested interest in maintaining a representative workforce because it makes good business sense. According to Fazil Mihlar of the Fraser Institute:

> The market solution of the problem as it stands is discriminatory employment costs firms money; therefore if an employer refuses to hire the best candidate for a particular job, the productivity of the discriminating employer is bound to fall and consequently produce less profit. The more competitive the industry, the less likely firms are to engage in discrimination.

• (1700)

The bottom line is that companies are capable of achieving employment equity without governments imposing legislation.

I could talk about the American experience. We have already been criticized in the House for doing that, but if time permitted I would.

We did a bit of research on the breakdown of electoral success in the House of Commons by gender as calculated from the 1993 federal election. The numbers are interesting and also a bit revealing.

I will start with the Reform Party. We were successful in electing 29 per cent of the female candidates our party had nominated. This was without any manipulation or any intervention whatsoever. We only elected 25 per cent of our male candidates. In other words, one quarter of the men who won nomination in our party were elected to the House. A higher percentage, 29 per cent, of the women who were nominated at the riding level by the Reform Party of Canada were successful in the 1993 federal election. This is with no manipulation by the leader of the party, no directives from our party office telling the constituencies: "Make sure you nominate women. We want a lot of women nominated from our party."

The members of our party who selected female candidates chose excellent candidates who garnered the support of their constituents. They were more successful than the male candidates.

If we look at the Liberal numbers, they are about even. They were actually a little less successful in electing female candidates than they were in electing male candidates. Now, as we know, the Liberals elected a lot more MPs to the House, so the percentage of successful male candidates was 60 per cent. That is why they have a majority government.

With all the manipulation, with the bypassing of the constituency nomination process and the anointing of star female candidates, they elected 59 per cent of the females, 1 per cent less than the male candidates they elected. So the wisdom of the Liberal Party hierarchy was not the same wisdom as the constituents in the ridings, who voted for who they felt was the best candidate.

This indicates the whole concept of employment equity, the playing around with quotas and jiggering around with results not based on merit but based on numerical targets does not work and is not effective. It even hurt the Liberals in the last election.

I see my time is running out. I want to talk about the party that has made the most noise about employment equity in Canada, the NDP. Its members have suggested very stringent quotas. They suggest that there has to be an equal number of women on their party councils and committees from top to bottom, inside and outside and around the corner.

They had 100 female candidates and they elected one, who happened to be their leader, the highest profile candidate they put forward to the Canadian electorate. So 1 per cent of their females were elected. They did not do so well on the male side either, but they did elect 4 per cent of their male candidates. This is from a party that has indicated that there must be employment equity, that it must be legislated and written in stone.

Instead of having the government on this side and the opposition on that side, they would almost want to have men on one side and women on the other and make sure it was equal. That is the approach they have taken to employment equity, and it just does not work. It has not worked for that party.

Why would the Liberals, who are intelligent people and a party that has been around for over 100 years, want to give us Bill C–64, which would try to impose upon companies and government departments what does not work in practicality, does not even work in their own party, which has been a failure everywhere it has been tried and which is disgusting and discriminatory by its very nature and is demeaning to the very people it is supposed to help?

I like to see visible minorities and female members in the House of Commons and in business, who are there because they are darned good, the best at what they do. I have a lot of respect for those people, whether they be black, white, yellow or red, whether they are male or female or whether they are handicapped in some way. I have a lot of respect for those people who made it on their own. If they are being given numerical quotas by a federal government and are given a position just because they happen to fit a certain category, it is demeaning to them.

• (1705)

I suggest this government should withdraw this legislation. It is wrong, it is immoral, and it does not work.

Government Orders

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I am grateful for this opportunity to speak to Bill C–64, which would amend the current federal Employment Equity Act principally in the matter of introducing an enforcement regime. It is targeted at private sector enterprises of 100 employees or more that do business with the federal government. That encompasses hundreds and possibly thousands of private sector companies, any in fact who get a government contract.

I want to speak as a government MP because I am unhappy with this bill. I feel it is my duty to do so, even though I am but a single voice perhaps among my government colleagues. I must express my deep, deep reservations about this legislation.

In my view, Bill C–64 is seriously flawed. It is being rushed into law without the benefit of the careful consideration that is due any legislation that comes before this House.

First let me say that I do not doubt the government's nobility of purpose and sincerity of motive in bringing Bill C–64 forward. Strengthening the federal employment equity legislation was a red book commitment made by the Liberal Party prior to the last general election. A government that tries to live up to its promises cannot be faulted for trying to do so. Indeed, being faithful to one's promise is something all Canadians admire and applaud. Moreover, who is to argue against the desire to see that all Canadians have equal opportunity for employment and that no one is discriminated against on the basis of gender, non–relevant disability, or race? The noble purpose is noble indeed.

However, the fact that Bill C–64 springs from a promise is possibly one of the reasons it has come this far without adequate consideration of the huge problems it seems likely to create. It goes absolutely against some of the most basic concepts of justice and fair play, and in seeking to eradicate discrimination sets the stage for encouraging it.

I have to believe—and I do—that it has come this far because the government bureaucrats who framed it clause by clause did so more with a view to satisfying the government's desire to fulfil its promises quickly than to writing competent legislation. I find it hard to believe that professionals could have drafted something so obviously faulty.

I am not a lawyer, but it does not take a lawyer to see what is wrong with Bill C–64. Any Canadian knows the very essence of our democracy and our freedoms is predicated on the concepts that all are equal before the law and that everyone is entitled to a fair trial. When Bill C–64 is tested against these two principles it fails.

Let us consider the fair trial aspect. Bill C–64 requires that the target employers prepare equity employment plans and give an

accounting annually of their progress in fulfilling these plans. I will spare the details, but suffice it to say that Bill C–64 describes minutely what it expects of employers when it comes to trying to achieve balance in the hiring of aboriginals, women, visible minorities, and the disabled.

To ensure these employers are fulfilling the requirements of the act, Bill C–64 provides for the creation of compliance officers, a kind of equity police administered by the Canadian Human Rights Commission, who are given the power to enter a company's premises and demand to see its books to ensure the company does have an appropriate equity plan and that it is acting upon it. Right here there is a problem. Mr. Speaker, I would remind you of the outcry that swept the nation when Bill C–68, the gun bill, proposed similar entry and search provisions to ensure compliance. Here we are apparently doing the same thing.

I suppose the argument, which I can hardly say is being debated either through public hearings or in this House, is that these compliance officers are equivalent to inspectors who come on to your premises to inspect elevators or read a gas meter. However, Bill C–64 gives these compliance officers extraordinary powers. If a company tries to deny them, the company can be taken to court, but not to any court as Canadians have come to understand the term. The court, which decides the guilt or innocence of a company and which ultimately decides on fines of up to $50,000, is a sub–tribunal of the existing human rights tribunal panel, whose president can name from one to three people to hear a case. There is no bar exam for these people to pass, no vetting by the elected representatives of the people. The president of the human rights tribunal panel gets to select whomever he pleases.

• (1710)

Tribunal is an appropriate term in this case. The word is very ancient, going back to Roman times, but it was in the Middle Ages and during the French Revolution that it acquired the connotation of drum–head justice, of people being hauled before citizen adjudicators who meted out punishment according to the temper or the distemper of the times.

The only real requirement to be a judge on the equity tribunals that Bill C–64 sets up is that the person so named be familiar with the equity employment theory and practice. Is that not the most eloquent invitation to bias you have ever heard? Will not the temptation to appoint employment equity activists simply be overwhelming? Will these tribunal judges not have more of an eye toward being politically correct rather than fair to the accused, to the company contesting the assessment of a compliance officer?

It gets worse. The equity tribunals that Bill C–64 sets up are courts of no appeal. The legislation specifically states that a company convicted by the tribunal has no recourse to another court unless on a technicality. There is no appeal. Whoever heard of such a thing? Even convicted murderers have the option of trying to appeal, but not an employer who fails to file an equity employment plan to the satisfaction of an equity employment tribunal.

I should note, however, that the action of initiating the levying of a fine against a company is to come from the Minister of Human Resources Development. The tribunal's role is to concur or not concur. Let us be candid here. The Minister of Human Resources Development we are talking about is not the political minister but the bureaucrats under him. If action leading to a fine is taken it will be by the deputy minister or an assistant deputy minister or an assistant to the assistant deputy minister. It will be a decision of the bureaucracy based on the recommendation of the human rights commission.

While I am entirely confident that the current Minister of Human Resources Development will always stay on top of his department and will personally review any proposal for a penalty against a private sector employer, how can we be sure that some future Minister of Human Resources Development will not get preoccupied and leave such decisions to the deputy minister or the assistant deputy minister or so on? This could be even worse than the tribunal. The ultimate decision to penalize a company will rest with the bureaucrats. They will decide. Although I believe that Canada's federal civil service is the best in the world, I question its understanding of and sympathy for the problems of private sector employers.

There is another reality. I hate to sound cynical, but these employment equity amendments may give even low–level bureaucrats a big stick. Companies vying for lucrative government contracts could be stopped in their tracks by the threat of employment equity complaints. They could be held to ransom by the unscrupulous. This may never be, but while 95 per cent of the people are honest, we have to watch out for that 5 per cent who are not.

If a company is trying to land a $100 million contract and a compliance officer suddenly says its employment equity plan is inadequate, what will occur? Bill C–64 makes no provision for policing the equity police.

The other major area of difficulty in Bill C–64 has to do with the fact that it exempts employers who would hire only aboriginals. I could speak at equal length about this problem, as it is equally fundamental and crucial. Suffice it to say that a bill that purports to try to eliminate discrimination actually condones it when it exempts a large group of Canadians solely by virtue of race. This is entirely contrary to the concept that we are all equal before the law. It is better to throw out a law entirely if it requires a clause that treats one Canadian differently than another based on birth rather than merit. This is exactly what Bill C–64 does. This is unfortunate. It sows the seeds of anger and conflict.

This all appears so obvious to me. I have to acknowledge that I am only a layman in legal matters, as was the majority of MPs who considered this bill in committee. Naturally I want to know what Canada's legal community has had to say about this legislation. Does it share my misgivings? There is no way of knowing. Other than the National Association of Women and the Law no lawyers' groups testified before the committee. I suspect they were never invited. Government funded special interest groups however were well represented.

• (1715)

There is my dilemma as a government MP. I see fundamental problems with Bill C–64 of a legalistic nature but little evidence that the legal experts have been consulted. It is wrong to leave it to the courts to decide after a bill has passed. We are supposed to iron out the problems beforehand.

I do not believe this has been done. The trouble is I can do nothing but stand here and speak. The bill went to committee after first reading, enabling it to be flipped through report stage and second reading to a vote in five consecutive sitting days of this House of Commons. Five consecutive days, that is all.

There were no committee hearings following second reading as normally is the practice. There has been no chance for me to see my misgivings put to rest by asking the standing committee to summon expert witnesses who could comment on my concerns.

I would like to have heard the opinion of the Canadian Bar Association on this legislation. No chance now. I would like to have lobbied my fellow MPs to get them to study the bill and express their opinions. No chance now. I would like to have heard from retired judges of long experience. No chance now.

It is curious. I am a first time MP. I never dreamed, ever, that laws were created in this fashion.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I must say that it is refreshing to hear a Liberal talk about some of the concerns in a bill rather than just glowing over the top saying there are no problems at all. I applaud the member for putting forward his comments with the moral fortitude of speaking his mind.

I am pleased to have the opportunity to speak on Bill C–64, an act to implement employment equity. Bill C–64 aims to legislatively entrench employment equity for the federal public service and businesses of 100 or more employees doing business with the federal government by setting up racial and sex based hiring quotas.

Canadians have several concerns with the proposed bill and so they should. It is contradictory. It is discriminatory. It is patronizing. The underlying principles undermine the values in which Canadians take the most pride, fairness and equality for all.

In my view, public service hiring and promotion should be guided by one principle and one principle alone and that is merit. The government clearly has a role in ensuring equal opportunity and employment competition based on merit. In this bill hiring and promotion based on race or sex is in direct conflict with merit. If the best candidate is to be hired, race or sex should not matter.

The bill patronizes designated groups. It assumes their mediocrity and presupposes that certain groups of individuals will not be hired or promoted in the workforce on their own merit, so the only way they are going to get hired or promoted is to give special favour to their race, gender or disability. This is nonsense.

Employment equity assumes that if people fall within a particular category they need assistance. This is not the case. Whether a person is male or female, a visible minority, disabled, does not define a person's need for assistance and when we jump to such conclusions it is called racism or sexism. Clearly entitlement to government positions should be based on individual merit, not the colour of the applicant's skin or gender.

In addition, race and sex based policies can be detrimental to the workplace. They create tension and bad feelings among co–workers. Equal opportunity means allowing the same opportunity to each individual regardless of race, sex or religion, not rewarding one group over another because of basic characteristics.

• (1720)

Employees should have the right to be free of discrimination in the workplace. This right should be protected by government, not withdrawn as the bill attempts to do. The bill is not about equality, fairness or hiring the most qualified people for the job. It is about giving special status to one group over another based on race or sex.

All Canadians should be equal before and under the law. This bill violates those basic Canadian rights. On that basis alone, the bill should not be allowed to pass.

Rights and privileges should not be based on race or gender. These ideas went out in the 19th century with the growth of universal democracy and individual rights and freedoms. The government talks about equality of opportunity but at the same time is introducing affirmative action legislation that is fundamentally opposed to equality. How can Canada claim to be in the forefront of human rights legislation with such discriminatory legislation?

Governments have mandated preferential policies toward designated groups in the past. Bill C–64 establishes laws and regulations that mandate Canadians treat people differently, to consider race and gender when hiring or promoting. In so doing, the government takes away individual respect and dignity and replaces it with a racist or a sexist hiring policy. This is going the wrong way.

No one should be accepted or rejected for a job based on race or gender. It is simply wrong to classify an applicant on the basis of these characteristics. Employees should be judged on the merit of their individual day to day accomplishments.

Blanket hiring of employees on the basis of race and gender is simply not acceptable to Canadians. More fundamentally, it is not the business of government to influence employment decisions in the private sector. Governments should not be imposing their bill on private business. Canadians do not need or want the influence of a big brother government watching over the private sector. Once again, the Liberals have underestimated the Canadian public. Canadians do not want this big brother approach meddling in their hiring practices.

In addition, I am concerned with the cost of the legislation. The government is proposing a program that could cost taxpayers billions. The total cost both direct and indirect of employment equity could amount to over $6 billion or nearly 1 per cent of the gross domestic product because it is going to affect a lot of businesses and people.

Where are the priorities of the government? It cannot guarantee seniors' pension funds, but it is prepared to throw $6 billion into employment equity. That is fundamentally wrong.

The legislation is misplaced by a government priority. Canadians will be most concerned by the enormous amounts of money that are going to be poured into this program because employment equity is unnecessary. The government claims it is eliminating barriers with this bill. It does not eliminate barriers, it creates them.

Obviously no one should discriminate against women, visible minorities or the disabled in hiring practices. I fail to see why we have this over reaction on the part of the government in an attempt to correct a problem that Canadians agree simply does not exist.

The Ontario election was fought on the issue of employment equity and the Liberals were defeated because they tried to force it down the throats of the electorate. In addition, this legislation is contradictory.

Bill C–64 states that no person should be denied employment opportunities for reasons other than ability. Yet the very essence of this act contradicts this statement. The bill promotes discrimination and legislates race and sex bias in the workplace.

All Canadians must be able to compete equally for jobs irrespective of race, gender or disability. Canadians should not be denied employment opportunities for reasons that have nothing to do with their abilities.

I must also point out that two wrongs do not make a right. Many young people today have enough strikes against them as they search the job market for whatever employment they can find. Employment equity will freeze out more opportunities for young people who do not fit into the preferential hiring practices, not because they lack the skills or ability but because of their personal hereditary characteristics. Any young person who has the misfortune of not falling into those categories is left out in the cold.

• (1725)

Applicants should not have to disclose the colour of their skin, their ethnic background, their gender or their religion. It is illegal to ask a person's age or marital status but to ask a person's race is all right? What is wrong with this picture?

Recently a Gallup poll showed that 74 per cent of Canadians oppose employment equity. If we were to poll Canadians today I am sure we would get the same results. In fact, the Ontario election is the latest and strongest indication that Canadians reject employment equity and are prepared to reject any government that proposes it. When will the government stop listening to special interest groups and start listening to Canadians?

In conclusion, I have to ask why the government insists on pushing legislation which is contrary to the views of most Canadians. This is the same mistake the last government made. We all know the price it paid for not listening. The real question is: Are the Liberals listening or are they going to force unwanted legislation on Canadians and suffer the same fate as the Conservatives? Time will tell.

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, it is a privilege to rise in the House to participate in the debate on Bill C–64, an act respecting employment equity.

[*Translation*]

When I listen to hon. members opposite, I sometimes have the impression that to them, employment equity is just a numbers game. That is not the case, The government has taken a holistic approach to employment equity. Contrary to what members of the Reform Party seem to believe, we are not just in the business of adding or subtracting numbers.

[*English*]

To the contrary, passage of Bill C–64 will enhance implementation of the Employment Equity Act so that we can continue to fight systemic discrimination and build a federally regulated workforce that reflects the diverse composition of Canadian society.

It is important to note it is not just the government which is concerned about diversity in the workforce. We know there are a growing number of employers who are getting behind employment equity. They are not treating it as some kind of statistical exercise, which seems to be the way members of the Reform Party look on it.

Employment equity is helping us to build a harmonious society. Employers are learning how to manage diversity. Being able to manage a diverse labour force will help business to draw on the broad expertise of people from many different social and economic backgrounds.

There are some fine examples, such as the employer's leadership skills course, which are helping managers to understand individual differences and how to lead teams made up of diverse members. Another employer gathers information on his employee's negative experiences to determine the best way to improve their situation.

Some employers are providing video training to upgrade the computer skills of employees with learning and visual disabilities. Some employers are introducing flexible holiday arrangements for employees who wish to participate in their own religious ceremonies on specific days each year.

The point I am making is that employers are working with all of their employees to create a productive and harmonious workplace which represents the diverse nature of the Canadian population.

I submit it is the Reform Party that has a fixation with numbers, not the government. The bill refers not to quotas but to equal treatment. For example, let us look at the amendment on self–identification that the government accepted during the report stage of the bill. The amendment accepts the right of the employer to make the case that under–representation of a group is due to a lack of self–identification and there is a requirement for compliance officers to take such information into account.

I want to tell the House something about self–identification. Self–identification has encouraged individuals in the designated groups to come forward. In the past many of these individuals have tried to hide their minority status from society. We must remember that for years people have felt that they had to keep their disability secret and their racial origins to themselves. That is now changing.

Since 1987 more people in the designated groups are self–identifying because they feel more comfortable about doing so.

• (1730)

[*Translation*]

We know that representation of women and members of visible minorities in the labour force has increased considerably. In the case of aboriginal peoples and persons with disabilities, the process has been slower but there has been an improvement.

[*English*]

Employment equity is not about adding a bunch of numbers and throwing them into a statistical report. The Reform Party is misleading Canadians by referring to employment equity in that way.

Bill C–64 accents reality. Its implementation will help us to use scarce resources in a way that will enable all Canadians to contribute their knowledge and skills to making a better Canada.

Many companies are already taking positive steps in that direction. Canada Mortgage and Housing Corporation has a wide range of measures to reach a representative workforce, including special initiatives for aboriginal people and for persons with intellectual disabilities.

[*Translation*]

Orth–McNeil, a drug company in Don Mills, Ontario, introduced flexible hours so that its female employees can either work at home or work part time after their maternity leave. York University in North York, Ontario, is always trying to increase representation of designated groups on its campus.

[*English*]

Even small and medium businesses recognize the importance of employment equity. On my way to the House of Commons from my riding office in Orléans at noon I stopped at a fast food restaurant for a quick lunch. The lady who served me had a speech impediment. I was served with politeness, speed and in a business–like manner. I commend the manager for recognizing employment equity and putting it into practice in the frontline of his business.

Bill C–64 is not about adding up a bunch of numbers and patting ourselves on the back because they look impressive. It is about doing the right thing and allowing all Canadians to feel they belong and can participate actively in a just and caring society. It is about ending systemic discrimination in the workplace and opening the labour force to all who are deserving based on ability. That is the thrust of the legislation and I am pleased to give it my wholehearted support.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I believe Canada is a cultural mosaic made up of citizens with various ethnic and religious backgrounds. Many of these people have overcome tremendous adversities to be able to reside in Canada where all citizens are supposed to be equal in the eyes of the law.

This sentiment has not always been shared or fostered across the land. At various times in our history certain groups have been the target of discrimination and persecution. These have scarred our past and from these times we have grown to be a much more tolerant and a much more civilized society.

I am not in favour of a homogenized Canada. I am in favour of equal access for all Canadians. Bill C–64 is an impediment to such access. By ensuring access to some, Liberals block access to others.

It is important to ensure Canadians from traditionally disadvantaged groups are given access to education and all the other benefits of Canadian citizenship, but this should not mean that special employment provisions are given to any group or individual in lieu of merit.

The opinion of the government is that these disadvantaged groups need special government legislated programs to be represented in the workforce. However legislation is overkill. Liberals will never achieve employment equity through divisive means even if it is imposed by the heavy hand of the law.

As an employer I am looking for a person who will do the job best. There is no race or gender attachment to that criterion; only merit. Under the government's plan I no longer have to find the best person for the job. I now have to find the best candidate from a designated group. This is not equal opportunity under the law. It is an enforced quota system.

The legislation states that employers with a workforce of at least 100 persons who are in the service of the federal government must comprise their workforce proportionately to the make–up of the population. The government has a fixation with numbers, quotas and statistics, which is why the Minister of Industry is going ahead with a census based on race, even on the nation of origin of Canadian citizens.

• (1735)

The Reform Party believes in an immigration policy that is colour blind and says that immigration based on race or country of origin is racism. If that is the case, what is legislation that is based on race or country of origin? I suggest respectfully it too is racism.

The government would lead us to believe that under representation of disadvantaged groups in the workplace is the result of discrimination. This is preposterous. In Canada citizens are free to choose the career of their choice. How could the government impose a plan on Canadians which quantifies access to certain jobs? If discrimination is wrong for one designated group, it is wrong for all Canadians.

To select someone for a job based on race or gender is just as wrong as not selecting the same person for the same reasons. All people must be equal regardless of race, language, creed, religion or gender.

Canada's employment practices have evolved to a level where we recognize the wrongs of the past. I would hope that we have also evolved to a level where we recognize that redemption for the oppression of one group should not be the oppression of another group. There is still considerable room for improvement. However Bill C–64 is clearly not the answer.

I should not expect the government to grasp the concept of equal opportunity. Its party has passed some of the most divisive legislation in Canadian history. According to Liberal dogma we as a country are supposed to find unity and strength by focusing on our differences and making exceptions for those differences.

Unfortunately we live in an intolerant world. We only have to watch the nightly news to see the atrocities that occur daily in the name of difference. Why would we in Canada, a country of incredible opportunity, focus on the differences of the population and legislate employment policies based on race, gender and disability?

To identify a specific group as disadvantaged gives a perception that it is incapable of succeeding on its own. This is clearly untrue and is a disservice to those groups.

I should mention that many women in my constituency have approached me on the issue. Uniformly they see quotas as demeaning their personal value, developed skills and work ethic. They want government meddling in the workforce eliminated, not enhanced.

When will the government realize the ramifications of its actions? The people of Ontario clearly voted against the unwanted employment equity legislation. Does it not see the divisions and animosity created by its policies? I wonder if the government has taken into consideration the long term effects of its quota systems, because they are quota systems. At what point do we reverse the discrimination angle and again promote those who have been kept down? This is a cyclical effect and the only solution is to end it now.

The government should be proactive, advocate equality in the truest sense of the word, treat all Canadians the same, tax them the same and educate them the same. As utopian as that may sound it is a positive step for the future.

As long as the government keeps legislating discriminatory ideology there is no possible means of attaining what is guaranteed under the charter, that we are all equal in the eyes of the law.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am pleased to speak today on Bill C–64, an act respecting employment equity.

I support the bill. I believe it is an important step in ensuring fairness and equity in the workplace. This is especially true for women, aboriginal people, persons of disability and members of visible minorities, all of whom represent segments of our society that have not always been given a fair opportunity. These groups continue to experience higher than average unemployment rates, lower than average salaries, and are concentrated in the lower paying jobs.

In recent weeks we have had a valuable debate about employment equity. It has allowed us to discuss an initiative that will help ensure all Canadians have equal opportunities in the workplace.

• (1740)

However throughout the debate there has been one recurring and unsettling element: the consistent effort of the Reform Party to practise the politics of polarization.

As I have listened to the debate, far too often members of the third party have chosen to misrepresent the intent and practice of employment equity. In so doing they have chosen a dangerous course. Instead of taking an important step forward they have opted for the status quo. Instead of making our society stronger and more inclusive they are spreading misinformation aimed at dividing people.

Before I deal with their politics of polarization, let me begin my remarks by noting other elements of the position of Reformers on the bill. The key element of their position is that infallible market forces are enough to address employment barriers. That was summarized in their minority addendum to the report of the standing committee. They stated quite clearly that the market would punish an employer whose employment practises had systemic discrimination built into them. Yet market forces alone cannot eradicate systemic discrimination. Voluntary measures toward achieving equity in the workplace have not brought about significant changes for many people.

There is another dimension to the Reform position, that is the denial of systemic discrimination in the workplace, discrimination that not only results from a conscious bias but from inadvertent practices and systems. In other words a seemingly neutral policy can have adverse impact on certain groups and individuals based on race, gender and disability.

The term systemic discrimination refers to this type of unintentional barrier to equality. However, when I listened to the arguments made by members of the third party, they believe only one kind of discrimination occurs when an employer says that he will not hire a person because she is a woman, a visible minority, an aboriginal person or has a disability. Systemic discrimination has nothing to do with any intention to discriminate. Canadian employers are fair. Many organizations have already recognized the existence of such discrimination in their workplace and are working hard to eliminate it.

That brings me to my final point, the politics of polarization. Time and time again hon. members in the third party have chosen to debate the issue in terms that can only create confusion and division. They talk about quotas when the bill explicitly rejects them. They claim the bill promotes a new kind of discrimination when it clearly does not. They harp on this as an attack on merit, yet the bill explicitly states that no employer will ever be forced to hire an unqualified person. That bears repeating because the third party is trying to confuse the people of Canada. The bill explicitly states that no employer will ever be forced to hire an unqualified person.

I advise my hon. colleagues across the way to take some time to sit down and read through the bill. They should read section 5 where they will see what employer obligations really are. They should read section 6 where they will see what is not an obligation. They should read section 10 where they will see what an employment equity plan really is.

Bill C–64 is about making all reasonable efforts to build workplaces that respect people. In listening to the arguments of my colleagues across the way it is clear they have chosen to ignore the experience of many employers covered under the existing legislation. They are making employment equity work the right way. They see it as a human resource planning pool. They know that a key element of an effective equity program is communication. People need to know what equity is and conversely they need to know what it is not.

When members of the Reform Party suggest that the legislation is about stealing legitimate opportunities from some to give it to the undeserving, what kind of a response do they expect? It would seem that they want a backlash. Rather than focusing on the issues of real equity in the workplace, they instead focus on misinformation about what the bill really stands for. They are trying to capitalize on genuine concerns many Canadians have about their jobs and their future.

• (1745)

Let us be clear. The Reform Party wants short term political gain based on the politics of fear.

This bill responds to a real problem. It reaffirms our government's commitment to equity for all Canadians. Our government is living up to its responsibility and we are working to make positive changes for Canadians. We realize that denying this problem will not make it go away.

In closing, Bill C–64 is not about giving unfair advantage to certain designated groups; it is about equality and removing barriers to employment. When this bill comes to final vote I will be on the side of building a stronger and more inclusive society in Canada. I will vote in favour of Bill C–64 and I encourage all members of this House to do the same.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, it is a pleasure to be back in the House after a week's break. Things have not changed too much. I heard Reform mentioned quite often which is music to my ears. We must be saying something right.

I always say that the proof is in the pudding and to practise what you preach. For example, we have tried to be employed as committee vice–chairmen in this House for a number of years. For some reason it has not held true that we have been equally treated to that extent. We have capable people who should be employed as vice–chairs in the committees but it does not seem

to work that way. That is democracy Liberal style, I heard an hon. member say, but let us get down to the basics.

It is a pleasure to address this bill, an act representing employment equity. I would like to add my voice to those of my colleagues in opposition to this offensive piece of legislation.

This bill sets out to achieve numerical equity by occupational groups in the following workplaces that employ 100 or more people: the federal public service; federally regulated private business; and businesses that undertake contracts with the federal government. The bill sets out to do this by correcting conditions of the disadvantaged experienced by certain groups through the use of racial and gender based quotas.

Under this bill all affected businesses would have to comply with extensive reporting obligations, including filing detailed analyses of their hiring practices and racial breakdowns of their staffs. This is a costly imposition.

The Reform Party believes that all Canadians are equal under the law and all Canadians have the right to be free from discrimination in the workplace. No one should be denied an employment opportunity for reasons that have nothing to do with inherent ability. The Reform Party also believes that merit should be the sole hiring criteria in the workplace. To pass over the best qualified candidate in order to fill a racially based quota is a denial of the merit principle and in itself is racist.

We believe in a system that is colour blind and gender neutral. Canadians who wish to pursue a certain vocation should not face barriers of discrimination. Those with ability and discipline deserve the rewards of their hard work.

The key assumption underlining the notion of equality in Bill C–64 is that equality means equality of numerical representation in the workplace. Even in a perfect world it seems unlikely that people from designated groups would enter each segment of the workforce in numbers precisely equal to their representation in the workplace. Yet this government persists in depending on numerical equality as the standard of justice.

• (1750)

A 1993–94 report on employment equity in the public service says that self–identification is the backbone of the employment equity program. This raises a serious concern over the reliability of the self–identification process. Many people may refuse to identify themselves as a member of a designated group because they fear they would be seen differently by co–workers. This avoidance could then skew the statistical base. If enough people refused to self–identify, then the appearance of discrimination would be elevated.

For example, the Clerk of the House of Commons appeared with the result of a self–identification survey before the standing committee studying this bill. This survey was sent to 1,700 House employees. Just 23 per cent returned the survey. Of that number, less than 50 identified themselves as a member of a designated group. Clearly the appearance of non–compliance can be created by inadequate data.

A 1992–93 report on employment equity in the public service stated that the number of visible minority employees may be underidentified by one and one–half times and the number of disabled by two and one–half times. This has serious implications for employers. If some members of designated groups fail to identify themselves as belonging to a designated group, the employer would have to consistently report an unrepresentative workplace. In this case the employer would be forced to report non–compliance when in fact he or she might be complying.

There is also the aspect that employees would be tempted to falsify self–identification surveys. Since no verification is ever attempted, no studies have been conducted on the possibility of abuse in this regard. However, the 1994 report of the Employment Equity Act notes that in 1991, 2.3 million Canadians reported having a disability, an increase of 30 per cent over 1986. Only part of this can be explained by an aging population.

This bill gives Canadians a strong motive to count themselves in as disadvantaged. Even more confusing is the fact there is no uniform definition of disability used in Canada and disabilities are often determined on a case by case basis.

This type of legislation results in reverse discrimination. It attempts to fight racism or sexism by racist and sexist means.

For a while in 1992 the RCMP in Alberta stopped accepting applications from white males. The RCMP now operates several preferential hiring programs. Out of the 426 cadets in training this year, 74 per cent must be selected from three of the four designated groups.

Polls in Canada have consistently shown that Canadians do not want employment equity programs. A 1993 Gallup poll showed that 74 per cent said that qualifications should be the sole criteria for hiring for management positions. The question is: When will this government start listening to Canadians instead of forcing legislation on them that they do not want?

This seems to have been the Liberal agenda for the last couple of years: "Do as we say or you will not do as you should be doing according to your constituents". This is another prime example of the Liberal government trying to force through legislation that will be detrimental not just to this country but to the economy of the country. It is time we recognized that we have to listen to the grassroots people, that we have to listen to the

grassroots businesses. They have the answers for this country and that is what the people of Canada want.

• (1755)

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, on October 3 in this very House at the start of the debate on the amendment motions to Bill C–64, the hon. member for Edmonton Southwest said: "The private sector by and large is light years ahead of the government in its relationship with minority groups".

That comes from one of the more enlightened members of the Reform Party. Imagine what the rest of them must be thinking when such a glaring error has been made. That is incorrect and false information. It was not intended to be. It just happened to be because that member did not know as his colleagues do not know the truth of the matter. I want to set the record straight.

Our latest annual report was tabled in the House by the Minister of Human Resources Development and the President of the Treasury Board. It shows that for three of the designated groups, that is, women, aboriginal peoples and persons with disabilities, in representation levels the ratios of designated group members to the entire workforce are higher in the federal public service than in the whole federally regulated private sector. Those are the facts.

The lower representation of visible minorities in the public service as a whole is due in part to the fact that the public service does not have an equivalent to the banking sector where representation is 13 per cent.

Some hon. members: Oh, oh.

Mr. Duhamel: The Reform Party does not get its facts straight because when we attempt to put the facts on the table, Reformers will not listen. I am going to continue to give them the facts and perhaps some day they will sink in.

Jobs in the public service in contrast to the federally regulated sector are not as concentrated in large Canadian metropolitan areas. These are the urban centres where the vast majority of Canadians of a visible minority are residing. However, visible minorities make up 8.3 per cent of the relatively well paid scientific and professional category of the public service.

It should also be noted that right now, one out of five executives in the public service is a woman. What is it in the private sector? One in ten. I suppose the Reform Party is going to tell me that is better. I suppose Reform members are going to tell me that is because women have been favoured. No, it is not because they have been favoured. It is because there have been open policies which have recognized the systemic discrimination and in part it has been corrected.

Professor Andrew Hede of the University of Southern Queensland in Australia published a comparative analysis of women executives in public services. Drawing from the experience in Britain, the United States and Australia he wrote: "Canada is the clear front runner in the equity stakes". Why will my colleagues from the Reform Party not admit that we are leaders? I know why. It is because they cannot possibly admit whenever the government does something right.

Make no mistake about it. There is still a lot that needs to be done, but we are making progress. These are sound policies. It is unfortunate that some people would want to peg them as discriminatory for political gain.

[*Translation*]

Now for my comments on Bill C–64. Some people have a poor perception of employment equity and of Bill C–64 in particular. They believe, and in my opinion they are wrong, that these are radical social experiments. One wonders whether there is no awareness or appreciation of the past and present policies of this government which are aimed at helping the most vulnerable members of our society and thus increasing employment equity.

Let me present the facts so that these people will understand the historic background of this bill. I hope this will improve their perspective and give them a better appreciation of employment equity.

I will provide a history of the development of employment equity at the federal level, with some specific examples of the situation, past and present, in the public service.

[*English*]

What I am about to say will make it abundantly clear, and it may even be understood by those who do not want to see it, that employment equity is not a revolution that would target and punish groups which may have benefited from the employment system in the past. Rather, I want to paint employment equity in Canada as an evolutionary social policy initiative consistent with the tradition of fairness and dignity for all that is so prevalent in the mainstream of Canadian society. That is what it is all about.

• (1800)

Let me give some examples of a few very significant historical milestones.

The Royal Commission on the Status of Women was a stimulus for early efforts by the federal government in the 1970s to deal systematically with issues of representation in the public service.

In the early 1980s the federal government introduced a program to bring about the equitable representation and distribution of women, aboriginal peoples, and persons with disabilities in the public service. In 1985 visible minorities were included in the program.

The government also launched the special measures programs to encourage the recruitment of designated group members. A service–wide self–identification survey was carried out to provide the numerical information for the program.

[*Translation*]

And in 1986, following the 1984 report of the Royal Commission on Employment Equity, sometimes referred to as the Abella Report, the federal government passed the Employment Equity Act. The government also introduced Treasury Board's policy on employment equity.

In 1988, the government appointed the Task Force on Barriers to Women in the Public Service whose report *Beneath the Veneer* was published in 1990. The report recommended a broad range of measures to attract, train and maintain women in positions at all levels. It provided the inspiration for a number of important proposals made in the White Paper on Public Service Renewal, Public Service 2000, and in the Public Service Reform Act tabled in the House of Commons.

In 1989, Treasury Board introduced an annual program of employment equity merit awards to celebrate outstanding achievements by departments with respect to various designated groups. That same year the Canadian Centre for Management Development opened its doors. Among other things, the centre encourages the implementation of key employment equity objectives, including diversity management.

Also in 1989, Treasury Board adopted a policy on services available to persons with disabilities.

[*English*]

In 1990 the secretary of the Treasury Board, with advice from a deputy ministerial committee, set goals for the achievement of equity for the four designated groups, reviewed accountability mechanisms, monitored developments with respect to national strategies and initiatives, and gave advice to departments on communications strategies and efforts.

In May 1992 the government announced its intention to legislate employment equity in the public service through amendments to the Financial Administration Act, thereby confirming by statute obligations on the public service that were comparable to those placed on federally regulated employers under the Employment Equity Act.

On June 18, 1992 royal assent was given to a bill modifying six federal laws pertaining to persons with disabilities, two of which were a Treasury Board responsibility. These were the Access to Information Act and the Privacy Act. The acts were modified to facilitate access to government records and to have personal information in an alternative format for persons with a sensory disability.

In December 1992 Parliament passed the Public Service Reform Act which amended various federal acts, including the Financial Administration Act. As a result of these revisions, the President of the Treasury Board is now required to table in Parliament an annual report on the state of employment equity in the public service during the immediately preceding fiscal year.

[*Translation*]

In 1993, the framework for better employment equity in the public service in the 1990s was published. This framework was the product of reflection by the secretary of Treasury Board with the support of a group of deputy ministers. It described a new approach to employment equity at a time when resources were few and managers and employees were increasingly being asked to be accountable by focussing service on the client and coming up with their own ways to promote a positive corporate culture.

In April 1994, Treasury Board approved the implementation of a new program of special measures replacing previous special measures programs. This new program advocated more innovation and flexibility in increasing representation by members of the designated groups and changing corporate culture within the public service.

[*English*]

Finally, in December 1994 the government introduced Bill C–64, an act respecting employment equity. It brings private and public sector employers, including the public service, under a single legislated regime. Employers would be subject to identical obligations to implement employment equity and a uniform process. The Canadian Human Rights Commission would be authorized to conduct compliance audits.

• (1805)

[*Translation*]

This is the reality. I have just described it. I hope my colleagues opposite will stop using this expression and this program in an attempt to claim they hold the key to the truth. I hope that, finally, they will stop and look, open their eyes and their heart, and admit that, without such programs, women, aboriginal peoples, members of visible minorities and other inadequately represented groups would not be given favourable treatment.

I could go on at length, but I feel I have nevertheless set out the facts. If they keep an open mind, something all members should have, these hon. members will approve and support a government bill in the end.

[*English*]

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is not a pleasure to stand and address this bill. I know it is customary for people to stand and tell the Speaker and the House that it is a real pleasure to be here. However, I can say quite honestly that this is a horrible piece of legislation. I cannot believe that members across the way would stand in support of legislation that started under the Conservative government. I guess we can see that they truly are soulmates.

I listened with interest to the hon. member from Manitoba describe with religious fervour how much he supports the legislation. He listed statute after statute, suggesting that somehow this was great legislation that would bring about equity and we would all be drinking free beer and there would be food and happiness across the land. Unfortunately, that is not the way it works.

The hon. member talked about the need to have all kinds of legislation and the wonderful things the government has done with respect to employment equity. Long before the government got involved in the game, people from different countries came to Canada and somehow over a period of time they got along and worked together and eventually they all worked together in government.

I am certain my hon. friend from Manitoba could tell us stories about the experiences of his family and growing up on the prairies. My family came from the prairies. When the prairies were settled 75 to 100 years ago there were people who came from all around the world. They all spoke different languages and had completely different heritages. After a while, as they got to know each other, which took some time, they started to work together and they became not only co–workers but friends. Eventually, of course, it finds its way up the system and it is now seen in government.

I would like to point out to my friends across the way that society is almost always ahead of the government on these issues. I believe it is truly the case, even in the situation we had where a few years ago the government started legislating through employment equity in those industries that fell under federal jurisdiction. I point to a study that was done a few years ago of the broadcast industry, where it was found that the CBC was actually far behind some of the private sector broadcasters. I refer to CITY–TV in Toronto, where it has always reflected that community in the make–up of the people who went on the air. The CBC was way behind. Of course everyone panicked, because the government was not following the legislation. CITY–TV was well ahead on that issue.

I worked for the same company that CITY–TV actually belonged to. We ran into all kinds of problems with the legislation because, among other things, people had to self–identify. Other members have spoken on that issue.

In the little radio station I ran there was someone who was aboriginal but who refused to identify as an aboriginal. And hair on him. I think that is great. People do not want to be seen as victims. They say "I can make it on my own". In fact, they were already in our employ, so obviously we did not discriminate.

• (1810)

People have the capability of doing these things on their own. They do not need the government standing there at every step, saying: "You are a victim, so we are going to step in; we are going to stand on everybody else's fingers just so we can make sure you get into the workforce".

I would argue that society is always way out ahead of government on these issues. If people want to see rough equalities, give it a few years. People will eventually realize it is in their best interest to hire people on the basis of merit alone. In fact we see that in many successful companies today.

I would argue that it is very hard for the government to micro–manage people's businesses to the point where they can say that it is in the best interests of a company to hire these people from such and such a group. The reason I would make that argument is because people who are coming from a visible minority of some kind perhaps are coming from another country where they have not yet had training in a particular area, and until they have been in the country for a while they perhaps do not have all the necessary skills. But that is a function of education; it is not a function of legislation by the government. Let those people find the education they need and eventually they will find their way into those industries.

We do not need the government to stand there and crack the whip and say that because 40 per cent of the population in your area is made up of blue people you have to have blue people, even if those blue people are not necessarily qualified. That is crazy. I think you will find that most people would regard that as degrading. It is absolutely degrading. I think people will rise on their own merits. We do not need to have some kind of a quota system, such as is being proposed here.

My friends across the way shake their heads and say no, it is not a quota system. If you were told that you have to hire from these particular groups to fulfil this legislation, then of course ultimately it is a quota. The numbers may not be on there, but as my friend from Lisgar—Marquette has pointed out, in 1992 the RCMP in Alberta were hiring all of their people out of employment equity legislation, which means that nobody else had a chance to apply. The numbers may not be written down specifically in the legislation, but if the scope of the legislation is such that it suggests that these are all you have to choose from, then ultimately people do not have a choice. They do not have the ability to hire the people they want to hire based on merit. That is ridiculous. That is absolutely crazy.

I would argue that public debate is always the answer in these things. Not very long ago, and I could not believe it, we had people suggesting we should have a speech code in the House of

Commons, that we should have some little kangaroo court passing judgment on whether or not what people say in here is appropriate.

Public discourse and public debate will always be the ultimate arbiter when it comes to these things. For all the improvements we have seen in the country in terms of being tolerant to other groups and that kind of thing over the last 125 years, the credit does not belong to this place. The credit belongs to intelligent men and women over the course of history who have realized that the person next door may not be the same as me, but they are my equal and therefore I accept them. That is an education process. It is part of the public discourse. It is part of the public debate. And in every case I can think of where we have brought legislation in here, including in 1929, when we finally decided that women would be recognized as persons, I would guarantee you that the politicians were behind the public.

Certainly in 1929 men and women who worked side by side on the farm on the prairies respected each other. They recognized each other as people. In this place it took us until 1929 to figure that out. That is ridiculous. Again, I say we are way behind the times in this place on this particular piece of legislation.

Let us talk about sauce for the goose and sauce for the gander. Let us talk about the fact that the House of Commons, while it suggests this is good legislation for federally regulated industries and contractors who do business with the government, would never bind itself by this legislation. I do not see my hon. friends across the way advocating that they should be bound by the legislation and should have to hire people from particular groups. I see them shaking their heads and looking nervously about.

• (1815)

Here we go again. This is just like the MP pension debate. The Canada pension plan for seniors has to be cut but MPs are different. Somehow the legislation should apply to everybody else but us. Now they are shaking their heads. However, they cannot for a moment justify why this legislation does not apply to them. Look at those guys over here. They are reduced to heckling because they cannot justify their position. They cannot justify why this legislation would not apply to themselves. That speaks volumes about where they stand on this issue when it comes right down to their offices. They think it is good in theory. They think it is good for the general public in abstract but when it comes to their offices there is just no way.

Actions speak louder than words. The government by not applying this to the House of Commons has shown that it really is not as committed as it claims to be. It believes it is good in theory for others but not for itself.

I believe Canadians have shown that they will reject this. Seventy-four per cent of the people across Canada, according to Gallup, do not want this type of legislation. We saw it hammered down in Ontario. It is time the government woke up and smelled the coffee and decided that it is going to get in touch with the Canadian agenda, not its own agenda and not the agenda of some special interest group or some bureaucrat who is completely out of touch with what people think. We would not have this crazy kind of legislation in this place any more if it did.

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Mr. Speaker, I am appalled at the way hon. members of the Reform Party are misrepresenting Bill C-64 to the Canadian public. They are consistently using terms that do not apply to this legislation either in fact or in spirit.

In its minority report, the Reform Party makes it look like employment equity and affirmation action are one and the same thing. However, any astute Canadian reading Bill C-64 or the current Employment Equity Act can see quite clearly that employment equity is not affirmative action.

I suppose it is fitting, in keeping with its small *r* republican status, that the Reform Party tries to equate everything with the way things are done in the United States of America. However, employment equity is a fair and just Canadian manner of addressing the inequality of opportunity experienced by persons with disabilities, aboriginal peoples, visible minorities and women.

Of course we know why the hon. members of the Reform Party use the term affirmative action. For the Reform Party, affirmative action is a code word for preferential treatment and in Reformers' convoluted attempts to obfuscate and derail this legislation they think they can pull the wool over the eyes of Canadians by taking this approach.

Canadians are a lot smarter than the members of the Reform Party realize. They will not be bamboozled by smokescreen language that fails to address the true spirit of Bill C-64.

Reform has a section titled "Are Numerical Goals Really Quotas?" in its minority report. I am delighted to be able to tell the hon. members opposite that the answer is no. Numerical goals are not quotas.

I would like to take a moment to tell members of the Reform Party what the difference is between quotas and goals since it is clear from their arguments that they do not seem to know. I want to say at the outset that Bill C-64 specifically states that quotas cannot be imposed. Under the bill a quota is defined as a requirement to hire or promote a fixed and arbitrary number of persons during a given period. I refer them to section 33.

• (1820)

Most Canadians understand the difference between numerical goals and quotas, even if the Reform Party does not understand. Goals are based on the availability of qualified people to do a given job. Quotas are arbitrarily determined.

The bill clearly states that employers will not be required to hire unqualified people. Goals are percentages of anticipated hirings and promotions that an employer aims to achieve but quotas are usually fixed numbers of positions.

The bill specifically states that employers will not be required to set fixed and arbitrary goals. Employers must make reasonable efforts to achieve goals. Quotas must be attained regardless of the circumstances. The bill clearly states that if employers make reasonable efforts to implement their goals they will be found in compliance.

This is the Canadian way. The government's approach to implementing employment equity can be described as flow based. We are asking well–intentioned men and women to work in collaboration with one another to achieve employment equity goals within a reasonable time frame. That time frame is flexible depending on individual circumstances. We know everyone is not able to move ahead at the same pace and the commission will take that into consideration.

We have a process for those few employers who do not comply with the legislation. We know from experience that the majority of employers bring a very positive attitude toward achieving the goals set out in Bill C–64 and the Employment Equity Act.

Why is the Reform Party misrepresenting the legislation and misleading Canadians regarding its intent? Canadians support equality in the workplace for members of designated groups.

I can assure hon. members opposite that they will not score political points by misconstruing the spirit of the legislation. The goal of Bill C–64 is not to place undue hardship on any employer who is making an honest effort to meet the spirit of the new act. I repeat again, because it seems members of the Reform are having as hard time grasping this, we are only asking for and we only expect that employers make all reasonable effort to comply with the act's provisions.

I ask the hon. members of the Reform Party to consider their bogus argument about the necessity of meeting quotas. The bill specifically rules out quotas. It is that simple.

We know from recent studies that the majority of people entering the labour force will come from members of designated groups. That is simply one more reason that employment equity makes good economic sense. It will help employers focus on accessing the skills of those productive and hard working individuals.

This legislation is a positive step for Canadians. It will help us gain a diverse and highly skilled workforce that will ensure Canada a competitive edge in the rapidly expanding global marketplace. For that reason I am pleased to be able to support Bill C–64.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I rise to speak to this bill on employment equity, a concept with which I have no problem. We still need in our society, however enlightened it might tend to be, some recognition that not all aspects of our society are as accepting of visible minorities, aboriginals, females, people with handicaps in the workplace or in our society as is generally perceived to be most appropriate.

I have no objection in society attempting to use the law as is being proposed in the equity bill to force this sort of compliance to avoid discrimination for any of the reasons this proposal lists.

I am therefore basically in support of the idea of employment equity and the requirement that employers give equal opportunity for all people regardless of the circumstances of their birth or what life may have imposed on them by way of disability after birth.

• (1825)

However, the bill has not done a good job of looking at the global economy of the new world order we are now living in, which has presented a much different form of employment than what this bill and what most of the legislation that governments have put together deal with. These kinds of bills and laws function on an employer–employee relationship. They are virtually toothless when it comes to a new world where more and more people are self–employed, where contracting, subcontracting and subcontracting the subcontracting goes on, so there are three, four and five levels of contract.

As a consequence of that new practice it is virtually impossible to supply the kind of protection this bill proposes to do. If members do not believe me they should walk outside of the doors of this House. There is a program going on, the Peace Tower project, in which we have seen the most blatant treatment of an employee because she was female. The House, on whose territory this injustice took place, appears to be unable or unwilling to do anything about it. It is under the aegis of the Speaker but he seems unable to do anything. The job was contracted by the minister of public works who cannot find 10 minutes of time to even discuss it with me and whose officials actually aided the ejection of this woman and her fellow workers from the site. They had to leave their tools which they cannot recover.

The several times they have attempted to recover the tools employees of Public Works and Government Services Canada have told them that they are disrupting the building site and that they cannot have their tools because the current contractor is using them to complete the job. The contractor forced them to leave the job site because they insisted on using a female engineer.

If we are going to be believable in this Chamber in trying to deal with questions of inequality in the workplace we are going to have to recognize that very often in this new world order the workplace is run by people who have subcontracted and subcontracted those contracts to the point that it is impossible to hold the employer who makes those kinds of decisions, however arbitrary, unfair and normally illegal, responsible. We cannot do anything about it.

As a consequence, the subcontractor has forced the building trades people, the masons who were working on the Peace Tower, off the job because they persisted in using a female engineer. He had no objection to her work. He was only objecting because she was female. He made that quite clear. He forced them off the job. They left their tools and they cannot recover them. They can go to court. They have due process. I have talked to members on the government side who have said: "Use due process, that is what you have to do".

Unfortunately, Mr. Speaker, you are aware that due process in this case is almost useless because her employer, the mason that hired her to be the engineer for his part of the project, is not the person who is forcing her off the site but the subcontractor above him. The Ontario Human Rights Commission has some trouble dealing with this.

Others have advised me. Others of the legal profession from the government side have said: "Look to the federal human rights commissioner. He is obviously the one who has to do this because it is on a federal site and it is for the federal houses of Parliament for Pete's sake". Again the person that has pushed her off the site is not her employer and there seems to be nothing that the human rights commissioner can do in the case of this injustice.

• (1830)

I raised this briefly at second reading and I remind members on all sides that if this kind of injustice is to be permitted on our own grounds literally and figuratively and we can do nothing about it, what is the point of replicating the same type of legislation using the same requirements only on employers versus employees without taking into account the contractors and the subcontractors and all the other permutations that occur in business?

What are we really accomplishing? We are accomplishing very little except perhaps to make the whole process and the whole political group of us in the House look rather silly.

I keep preaching from my far corner. Very few people are in the House when I do my little rant on these things, but I hope the new ears hearing this each time take this to the rest of their colleagues and see if there is some way we can force compliance if not across the country at least on the acres of yard in front of the House.

This is a great injustice and makes the whole process of attempting to get employment equity to permit females equal access to jobs as engineers or scientists or doctors or lawyers. It makes the whole process of the last 15 or 20 years look absolutely ridiculous.

This woman is apparently considering going back to washing dishes because that is the only employment she can find at the moment. She had a job as an engineer. The subcontractor hiring her firm to work on the Peace Tower forced it off the job because it persisted in employing a woman engineer.

For his efforts that subcontractor was rewarded with a further subcontract to work on the whole House of Commons instead of just the Peace Tower after he engaged in this process.

I cannot let any debate or any discussion of an equity employment bill go by without reminding members of the House, and I hope some of the frontbenchers will take this to heart, that we have allowed a grave injustice just outside our doors. If any of the laws we pass in this place are to be taken seriously by people outside of Ottawa, we should be able to enforce what we have already made law numerous years ago when work gets done on our buildings on the confines of Parliament Hill.

Until that happens I am afraid I will look sceptically at this new effort at achieving employment equity.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, listening to the last presentation, it proves the point that so much of this comes down to enforcement of what we already have.

We have laws to protect against discrimination and obviously if those laws are implemented we need not to go any further or introduce any kind of new laws.

I have not heard very much talk about what the business community is saying. Coming from that area I have to put some emphasis on what it is saying about the job equity program.

I am a little annoyed that we should be dealing with this bill in the House which will basically institutionalize discrimination in the workplace. This is exactly what I feel Bill C–64 does, and the Liberal government should be ashamed of promoting this sort of archaic legislation.

We have heard from many Reform speakers now. It is absolutely clear why we oppose this bill. We are not racist. We are not sexist and those gurus of political correctness who try to pin that label on the opponents of affirmative action should be publicly condemned for their behaviour.

• (1835)

Reformers know that the huge majority of Canadians are utterly opposed to setting up discriminatory quotas for the hiring and promotion of target groups such as visible minorities. Such discrimination is wrong, no matter what disguise we put on it or what name we put on it. Calling it employment equity and calling the quotas numerical targets does not change a thing. Everyone in the House should know that.

For those who argue the wrongs of the past have to be corrected through measures such as these, two wrongs do not make a right. There was discrimination in the past and not everyone got a fair shake in life. That is terrible but we have come a long way and we are moving very quickly to right those wrongs. We have come a long way and now the UN even goes so far as to say we are the best country. I agree with that.

The kind of big government, social engineering contained in the bill is utterly unconscionable. Canadians want less government interference in their lives, not more. This is especially true in the case of affirmative action. The role of government is to provide equality before the law and to prohibit discrimination. However, Bill C–64 does exactly the opposite.

Bill C–64 enshrines inequality before the law. It encourages reverse discrimination. Perhaps worst of all, it propagates a victim mentality among our citizens. Minorities and women should think of themselves as equal partners in building the future of Canada. They should be encouraged to compete, to succeed and to provide for their families.

Bill C–64 is absolutely terrible because it sends the wrong messages. It tells our women and visible minorities they are victims, that they are oppressed and that without special legislation they will be incapable of succeeding in our society. This message is not only false but is extremely counter productive and does nothing to build Canada for the 21st Century.

Bill C–64 will create a tremendous number of problems for the country. They will go on and on and become greater and greater, much as the Americans have found since the introduction of their legislation in the sixties. Now they are having to remove it. There will be social costs and there will be economic costs among many other problems associated with this kind of legislation.

As far as the social costs of affirmative action, there are many. To begin with, the bill promotes an unusual them versus us kind of confrontation in the workplace. This confrontation takes place on two levels. There is a confrontation between workers who have already been hired and there is a confrontation between job candidates.

For job candidates the situation under affirmative action is very clear. If they are not a member of one of the target groups they are penalized. If they are they are entitled to special preference. Not only does this mean the all important merit principle is being overridden, but such discriminatory treatment will foster resentment among the majority against candidates who receive the special treatment. As the resentment builds it could very easily lead to an ugly backlash against people from visible minorities when they are not really the problem at all.

The problem is bad legislation. The problem is the government's ill-conceived social engineering which will have very serious side effects.

The first major social problem is that merit is not the sole reason for hiring under Bill C–64. Once the country slides down that slippery slope there is no telling where we will end up.

Among those who are already working there are other serious problems associated with employment equity. The two most significant problems involve promotions and layoffs. In both these cases giving preference to certain employees over others can have devastating consequences not only for the efficiency of the business but for workplace harmony.

Imagine a company with 100 employees struggling to make ends meet. Under these circumstances it is essential that everyone work as a team. The very future of the company depends on it. Let us assume 10 people have to be laid off. Under market conditions the business would get rid of the 10 people who are the most expendable. Under affirmative action, however, what would the company do? If certain employees were seen as exempt from these layoffs, how would this affect workplace team work and camaraderie? The answer is obvious and everyone in the House knows it.

• (1840)

The exact same situation would occur in the case of promotions. If employees feel their very livelihood and careers are being hindered by affirmative action they will strike back, and this is exactly what we do not want. The workplace should be an opportunity to succeed through skill and hard work. It should not be a place where Canadian citizens are penalized or rewarded for their skin colour or their sex.

Beyond the very obvious social costs, there are also economic costs to this legislation. If we use the Ontario employment equity law as an example, the Chamber of Commerce estimated that a company with more than 500 employees would have to spend $100,000 just to comply with the paperwork. This figure does not even begin to factor in the intangibles caused by hiring, firing and promoting workers on the basis of race, sex or disability.

In the U.S., California particularly, the total cost of affirmative action has been estimated as high as 4 per cent of GDP. That is exactly the same as what is spent on all the education programs in that state. Even if this is double the actual number it still translates into billions of dollars lost. In a time of global competition we must become efficient. We must not tie the hands of our businesses behind their backs.

The U.S. is now abandoning this system of affirmative action because it did not work. It was one of those social experiments of the 1960s. In Ontario the Harris government has decided to scrap the lousy affirmative action law of the previous NDP

government. Why? It was too costly and because it would not work. The Ontario Liberal Party agrees completely and would also throw out this program had it been elected.

I wonder why its federal counterparts are so utterly out of touch with the wishes of the Canadian public. Maybe they know what Canadians want but they simply do not care. Is it possible there is so much arrogance on the government side of the House that it thinks it knows better than the Canadian public? Will those paragons of political correctness in the Liberal benches rise up to save the country from its own folly?

There are many flaws in this bill, many things we could explore. Unfortunately my time is soon up. It is late in the day. I ask everyone to think about Bill C–64 and the institutionalizing discrimination it causes. I ask everyone in the House to consider before they vote on this and think about the consequences for this great country.

Mr. McClelland: Mr. Speaker, I rise on a point of order. With unanimous consent may we ask the House to consider it 6.51 p.m.?

The Deputy Speaker: Is there unanimous consent?

Some hon. members: No.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: At the request of the deputy whip the vote is deferred until five o'clock tomorrow afternoon. Is there now unanimous consent to call it 6.51?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

• (1845)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

ENDANGERED SPECIES

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on June 11, 1992 the Canadian government signed the United Nations convention on biological diversity in which it made a commitment that this country would pass legislation to protect endangered species.

More than three years later, eight of the twelve provinces and territories still have neither federal nor provincial legislation. There is no time to waste. Canada currently has 244 known endangered species. The number of species at risk has tripled in the past 10 years and the list continues to grow.

On August 17 of this year the Minister of the Environment took the first step toward meeting Canada's obligation when she announced the legislative proposal for a Canadian endangered species protection act. Unfortunately the minister's proposal fails to live up to either the letter or the spirit of Canada's international commitment to protect endangered species. The proposal only applies to species that live in national parks or on other specified federal lands. It covers only 4 per cent of Canada's total land base and eliminates the north entirely.

On September 28 of this year in the House I asked the minister if she would ensure effective protection of endangered species by strengthening the proposed new act. The minister admitted that the legislation did not cover as many species as the government would like and blamed it on the fact that provincial governments had jurisdiction in certain areas. Canadians concerned about the survival of these species cannot accept this excuse for ineffective legislation. A species threatened with extinction is of national importance.

The federal government has more authority than the minister is willing to admit. Effective protection of endangered species requires federal leadership when the provinces refuse to act. For example, the provisions of the minister's proposal only apply to species found in Canada's oceans and not to freshwater fisheries, even though the Fisheries Act indicates that freshwater species are clearly within the federal government's jurisdiction.

The proposed act could also be applied to all migratory species and not just those that happen to wander on to federal land. A few lucky species will have "response statements" prepared about them but no time limits apply and the government will prepare recovery plans for affected species only if it feels like it.

Truly effective legislation would require recovery plans for all endangered and threatened species and would prohibit the killing or harming of them. Habitat loss is the number one cause of species decline in Canada and is the main threat for approximately 80 per cent of Canada's endangered species. To effectively protect endangered species the legislation must protect the habitat they need to survive.

The government has completely ignored the recommendation of the federal endangered species task force to prohibit any activities that would destroy the critical habitat of an endangered species.

Realizing how important it is to identify and resolve potential conflicts before development begins, the task force also recommended that the legislation require advance review and approval for any proposed activity which could affect an endangered species or its habitat. This recommendation was not followed even though experience in the United States shows that advance review resolves almost all potential conflict between development and endangered species.

I should mention on a related topic that today is the day the endangered spaces campaign is releasing its second book, an interim report or owner's manual. It is most important we remember how integrally spaces and species are tied together. I urge every member of Parliament to read the interim report and support its recommendations.

The government says it is committed to protecting—

The Deputy Speaker: Unfortunately the member's time has expired.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, the federal government is strongly committed to ensuring effective protection of Canada's endangered species, which is part of our rich biological heritage.

Although certain aspects of the proposed legislation directly affect only a little more than 5 per cent of Canada's land base, it would also apply to federally managed species everywhere and federally managed marine areas.

• (1850)

The proposed legislation would establish a national listing process that would give legal recognition to all species in Canada at some risk of extinction regardless of where they occur. It is intended to form the federal component of a comprehensive national safety net for the country's most vulnerable species, a safety net in which the federal government does its part in co-operation with the provinces and the territories to ensure that species like the polar bear will continue to grace not only our coins but also our vast northern landscape.

With the co-operation of federal, provincial and territorial governments the proposed legislation would provide a strong national approach for the conservation of endangered species. This action will not intrude in provincial responsibilities. The federal government recognizes the common but differentiated responsibilities of the federal, provincial and territorial governments with respect to endangered species.

The proposed legislation is intended to complement, not contradict, provincial and territorial actions. The federal government is prepared to do its part and encourages the provincial and territorial governments to do theirs to ensure a truly national approach for endangered species conservation. We are confident of their support.

Canadians have a moral responsibility to ensure that future generations enjoy and benefit from the presence of diverse wildlife species. The federal, provincial and territorial governments must provide the required leadership and legislative tools.

AGRICULTURE

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, on October 3, I rose to put a question to the minister of agriculture asking him to justify the apparent changes in policy direction that have occurred with regard to the $1.6 billion ex gratia payment to offset the decline in farmland prices that would result from cutting the Crow benefit. It was contained in the budget. It appeared that the $1.6 billion would go to land owners free of current capital gain tax. It would simply accrue to the land and therefore would not be taxable in the year received.

Since that time a number of changes occurred. Some of them were hinted at in the budget speech but others were simply outright decisions that were made, notably changes to permit people who were renting the land to apply for some of the payment. However there was no similar treatment for those people in terms of a share they might negotiate from the land holder. Any share they might negotiate from the owner of the land would be taxable as income in the year received.

They could not apply it to any land or property they might own now and were therefore treated differently. Because about 40 per cent of land in most provinces is rented it seems to some observers like a rather clever and devious way for the government to collect income tax on money it had announced was to be paid out on a non-taxable basis. That is one complaint that I raised.

The other was that there seemed to be a very ill-defined standard for what lands would be eligible. It looked as if all farmland, presumably land that was cultivated at one time or now and used for crops, would under the government's estimation lose value. Therefore this payment was presumably to go to those lands. Yet as the nature of the program became clearer land seeded to permanent crops, forage, alfalfa and so on, were not eligible simply by definition somewhere throughout the system.

Yet crops that were to be used for forage, such as barley or oats for cattle feed or livestock feed either as silage or as grain, are eligible. Even stranger, summer fallow which grows absolutely nothing was eligible on the same basis as land that was growing crops. This seemed to run contrary to everything the Department of Agriculture had been attempting to convey to farmers over the previous 10 or 15 years, namely to get into a diversity of crops, to plant crops that would hold the soil in place and keep down wind erosion. They were encouraging continuous cropping to keep stubble. I would submit that forage crops are also a form of continuous cropping. They hold the stubble and the ground. They are part of the diversification program, not only for use within the country but also for export.

The government and perhaps some of the farm organizations that were negotiating with the government left those farmers off the list. I wanted to raise that in question period and again this evening in the adjournment debate.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, the federal budget of last February did contain certain proposals on the payment to compensate for the ending of the Western Grain Transportation Act.

At the time of the budget, the government made very clear its intentions to consult extensively with farm leaders on these proposals so that the program would be as fair and as workable as possible.

In the budget we proposed that land which would be eligible for the $1.6 billion ex gratia payment was that land producing WGTA eligible crops and summer fallow. These provide reasonable approximation of the land base which benefit from the WGTA subsidy. This proposal was taken to farm leaders for discussion.

Through these consultations, farm leaders accepted the government's proposal on eligible acres and agreed that forage not be included. Adding forage crops to the payment base would have significantly diluted the payment.

In the case of who should receive the payment, again we took the government's proposal to pay landlords to farm leaders for discussion. Through consultations farm leaders told us they agreed with the proposal but felt those who rent farmland should also be somehow recognized in the program.

Based on this advice, the application procedures have been designed to ensure that owners and renters reach an agreement on how part of the benefit may be passed on to renters. It is expected that in many instances this will occur through lower farmland rental rates.

Through extensive meetings with farm leaders, the government was able to reach acceptance of the proposals on eligible acres. It was able to address the concerns of farm groups by adding a provision for renters in the application procedures for the program.

The Deputy Speaker: Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.57 p.m.)

HOUSE OF COMMONS

Tuesday, October 17, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATION

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I have the honour to present, in English and in French, the report of the 6th annual meeting of the Canada–Japan interparliamentary group, held in Tokyo and Osaka from September 9 to 16, 1995.

[*English*]

Japan is Canada's largest trading partner after the United States. The volume of trade has more than doubled since 1985 and is increasingly diversified in composition.

In 1994 Canada's exports to Japan rose 13 per cent to $9.5 billion, resulting in an increase of over $1 billion for the second year in a row.

Ignoring the impact of liberalized Japanese markets and increased Canadian competitiveness, projected exports from Canada to Japan will climb to $14 billion in the year 2002, which is 80 per cent greater than 1993 levels.

• (1005)

While in Japan, members of the delegation were able to express Canadian concerns and promote Canadian excellence with our Japanese counterparts. This will help ensure a growing Canadian presence in the Japanese market and allow us to work with our business communities in encouraging increased commercial activity with Japan.

* * *

BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you might find unanimous consent for a House order along the following lines:

> That today the first item of business on Government Orders be resumption of debate at third reading of Bill C–64, an act respecting employment equity, and that at the conclusion of two hours of debate, or at such earlier time as no one rises to speak, the question shall be deemed to have been put, a division deemed demanded and the vote deferred until 5 p.m. this day, provided that no amendment to the motion for third reading shall be received by the Chair during such extended debate.

(Motion agreed to.)

* * *

PETITIONS

BOVINE SOMATOTROPIN

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I have two petitions to present this morning. I am pleased to do so on behalf of many constituents of Regina—Lumsden as well as the surrounding area.

The first petition is signed by a number of people who are concerned about the approval of a synthetic bovine growth hormone, known as BGH or BST, a drug injected into cows to increase milk production.

These signators call on Parliament to take steps to keep BGH out of Canada through legislating a moratorium or stoppage on BGH use and sale until the year 2000 and examining the outstanding health and economic questions through an independent and transparent review.

THE SENATE

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, pursuant to Standing Order 36, I have another petition concerning the Senate of Canada. It is signed by many constituents of Regina—Lumsden and other parts of Saskatchewan. The petitioners are quite concerned about taxpayers' money being spent on the Senate, an unelected, unaccountable institution which is costing Canadians over $54 million a year.

They request Parliament urge the government to abolish the Senate, which would save taxpayers this money and eliminate a body which is in essence useless for Canadians.

GOVERNMENT CONTRACTS

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, pursuant to Standing Order 36, I present a petition today with 26 names. The petition arises from proposals coming before the Department of National Defence to change the tendering process. Its signators believe the process we have now is fair and equitable and serves all moving vans appropriately.

The petitioners call on Parliament to resolve the situation and to veto any proposed change to the present tendering process of the Department of National Defence and to support the present system of tendering moving processes for all military personnel.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

The House resumed from October 16 consideration of the motion that Bill C–64, an act respecting employment equity, be read the third time and passed.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, millions of Canadian workers experience barriers preventing them from participating as fully as possible in the labour market. For example, many women continue to be ghettoized in low paying and part time work. In spite of that fact, in 1990 women obtained 55 per cent of university bachelor degrees.

Unjust hiring criteria, attitudinal barriers and uneven training and promotion practices still prevent women, as well as persons with disabilities, aboriginal people and members of visible minorities, from achieving equality in the workplace.

• (1010)

In light of these facts there can be no doubt in anyone's mind that employment equity is not only a good thing, it is a necessary thing. Good business practice would require that companies do something to improve access to world markets. Members of ethnocultural communities, with insider cultural linguistic knowledge as well as contacts with their country of origin, can play a key role in penetrating new markets. They are a rich resource in the workplace environment.

It is puzzling to me how the Reform Party can fail to see the desirability of the bill now before the House. My colleagues on the opposite side of the Chamber seem frozen in time. I have news for them, the past cannot be resuscitated. The 1950s are over.

We live in a radically restructured working world, different from anything that has gone before. Rapidly changing technologies and failing trade barriers are globalizing the economy, challenging us to become more competitive.

Canada's export driven economy is heavily dependent on foreign sales. Expansion into emerging markets, most notably in Latin America and Asia, will change even further our economic reality.

This greater interdependence poses new challenges. It means that our business organizations must be able to understand the culture and outlook of our new consumers.

Another fact of Canadian life is Canada's evolution as a technology based society. Knowledge is key to Canada's future prosperity and our human resources are our greatest asset.

Consequently, policies that develop our human capital are pivotal to our ability to compete. As everyone can see, employment equity is nothing to be feared or shunned. It is a policy that permits our society to move forward and to take into account the talents and potential of all our citizens.

It is no surprise that Canadian companies with experience in employment equity are often the strongest supporters of this legislation. They have seen firsthand how employment equity programs bring them numerous benefits. By having a fair and efficient human resources development strategy and a very efficient environment, employers have a chance to access a broader set of skills, a base of skills that makes their companies more productive. By improving the workplace they stabilize their workforce, boost employer's morale and increase productivity. They also enhance their corporate image in the community at large.

Employers cannot afford to exclude a wide segment of qualified individuals if they want to survive and succeed in the global economy. Private sector companies, and among them most progressive business leaders, have long appreciated the added value of employment equity.

Our challenge in the workplace is to accommodate the different needs of our diverse workforce and to demonstrate flexibility. These initiatives are in no way a threat to other Canadians.

Bill C–64 is not about hurting the chances of white males to earn a living and pursue a career. It is about creating real equality of opportunity in the federal government, in the federally regulated private sector and among federal contractors. It recognizes that making overt discrimination illegal and unacceptable in society was a critical step to that goal.

The next step is for employers and society to find and break down the hidden barriers that discourage people from applying for jobs or that keep them in certain occupational ghettos.

Bill C–64 ensures that employers look at their workforce and their employment practices thoroughly in order to identify and remove barriers. They then set targets for hiring and promotion that create greater access for qualified people. With the proper tools and strategy they will achieve these results.

Far from taking anything away from anyone, employment equity offers something of value to everyone. It permits employers to build greater trust and dialogue with all their employees and unions moving forward from awareness to action.

The Reform minority report shows little appreciation of this potential for creating a more level playing field for all Canadians. Instead, it offers a narrow view of discrimination and exotic examples of university admission policies, most of which are not even Canadian.

• (1015)

The existence of systemic discrimination does not seem to trouble the Reform Party. It boldly proclaims that Canadian employers do not discriminate on a systemic basis. Contrary to what the Reform Party members say with their usual confidence, systemic discrimination unfortunately is still very much part of our daily life. It continues to exist because organizations hold on to workplace practices that place barriers in front of certain people.

Many companies and organizations inspired by the act have chosen to eliminate barriers. The Royal Bank worked with aboriginal Canadians to improve the interviewing process. In a report issued by the Royal Bank it shared some of its philosophy with regard to its activities: "With a labour shortage predicted in the future and a more diverse population, it is very important to get off the mark quickly, before the labour crunch hits. Serving a diverse group of clients well means having a representative workforce".

The Royal Bank's example and that of other organizations is precisely the approach taken by the federal government with Bill C–64. Far from dividing people, employment equity helps us to forge a fairer future and build a better country. It is not about guilt and punishment, nor is it about tearing down merit based hiring systems so as to hire the unqualified. The bill actually forbids quotas. It states specifically that employers do not have to hire unqualified workers. The merit principle is only enhanced by this legislation.

When we eliminate irrelevant criteria for hiring, does that not strengthen the merit principle even further? When we ensure that more people have more chances to apply for a job or get suitable training, does that not strengthen the merit principle even further?

Bill C–64 makes merit work. It opens doors to opportunity that have been closed for far too long. The fact that designated groups are under–represented and concentrated in lower paying jobs is a reality the Reform Party just does not understand. These groups have historically had higher unemployment rates and lower average salaries. They have also tended to be concentrated in a few occupational groups.

If Canadians were to accept the Reform Party's stand on this issue, they would also have to accept the fact that somehow women, aboriginal Canadians, visible minorities and disabled Canadians choose lower salaries and higher unemployment rates. We know and Canadians know that aboriginal Canadians, visible minorities and designated groups want good jobs and good salaries like the rest of Canadians. The Reform Party wants us to believe that those individuals love to be ghettoized in low paying jobs, that they love high unemployment. That is not the fact.

The reality is quite simple. We can look at our society in a very simple way or we can try to break down the barriers that have left some people unfortunately in situations Reform Party members certainly would not want to be in themselves. That shows the hypocrisy of the Reform Party.

• (1020)

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I appreciate the opportunity to speak on Bill C–64 today.

The government likes to talk about Bill C–64 in terms of employment equity and it shudders when the terms affirmative action or quotas are used. The reality is the bill is exactly about quotas and affirmative action. What else can it be when numerical targets are provided, employers are required by law to attain those targets, and those who fail to do so are subject to significant fines? This legislation is about quotas, pure and simple, and it is wrong, pure and simple.

The entire premise of Bill C–64 is built on the concept of correcting historical wrongs. There was discrimination in Canada's past. I will use women in the RCMP as an example. Women were not allowed to join the RCMP as regular employees until 1974. That was discriminatory. Women who were born prior to the 1940s were discriminated against because they were denied the opportunity to apply to become regular members of the RCMP. However, for the past 21 years women have had the opportunity to apply for positions. There have been successes

and failures. Now we are starting to see women cracking the commissioned officer ranks of the force.

If nature were allowed to take its course, over time we would see the numbers in the RCMP change dramatically, as all those males retire who were hired under a men only policy. This is not good enough for the government, as it wants to legislate the ratios immediately. It does not take into consideration the fact that fewer women than men are likely to see police work as a desirable occupation.

The reality of police work is that it is a dangerous job. People shoot at you, punch you in the face and fight you when you try to arrest them. For some strange reason this does not have a lot of appeal for many women. I do not know why that is. The way I look at it, if you are going to spend your Friday nights fighting drunks you might as well get paid for it, but that is another matter.

The reality is that since the pool of male applicants for police work is significantly larger than the pool of female applicants, it is not surprising there are more qualified men than women applying for those jobs. That is not to say there will not be a significant female presence on any police force that hires solely on the merit principle. I have absolutely no doubt that the top female recruits compare favourably with the top male recruits. However, this bill ignores the principle of hiring based on merit. We will have a situation where the RCMP will be hiring some female applicants who are less qualified than some male applicants, who will not be hired because of this legislation.

The government says that this discrimination is justified. When we look carefully, we will have a system whereby females will receive a special advantage because their mothers were discriminated against. At the same time, the government will endorse state sponsored discrimination against males because their fathers had an unfair advantage over 20 years ago. I guess this all makes sense to the government, but it sure does not give me any positive feeling. The convoluted logic behind this argument is surprising, to say the least.

I ask the government, when has one form of discrimination ever righted any wrongs created by a different form of discrimination? People are already being hurt by employment equity programs, and this bill is going to make it worse. I have met a number of young men who want to become police officers. They have degrees in criminology and they meet all the other criteria. However, when they happen to be white males not only can they not get hired, but they have been told they should not even waste their time applying for the position. These men have never received any specific advantages because they are white males, yet this government believes they must be punished because at some point in time white males did receive unfair advantage.

Perhaps these young men should be instructed to turn their career sights to the nursing profession. Here is an occupation that has been traditionally staffed by a disproportionate number of females, so with the new employment equity legislation many more men will be hired for this profession because of their under–representation. Right? Wrong. Since men do not qualify as one of the designated groups, they do not rate protection under Bill C–64. Despite the fact that men have traditionally been under–represented in the nursing profession, just as females have traditionally been under–represented in the policing profession, this bill works only in one direction, and that is in itself discriminatory.

• (1025)

Is that not what Bill C–64 is all about, the creation of state sponsored discrimination? Let us treat people differently because of their gender or their race. Let us punish young white males today because their fathers may have received special and unfair advantages decades ago.

We all know that it is easy to pass legislation due to which other people are expected to make sacrifices but not the lawmakers. That was quite apparent when the government dealt with MP pensions and it is quite apparent here. The government has no problem imposing these quotas on others but is it prepared to live up to the spirit of the legislation itself?

When one looks at the cabinet one sees an extreme over–representation of white males. Of the 23 cabinet ministers in the House, excluding the secretaries of state, only four are female. If we were to make the cabinet demographically correct there would be more females.

Once the government passes Bill C–64, I am very curious to know which eight white males will resign their cabinet positions and give up their spaces for females. Which eight are prepared to sacrifice the additional $46,645 of the cabinet salary? Which eight are prepared to sacrifice their jobs, just as they expect others to do in the name of employment equity?

I am proud to belong to a party that believes that the only criterion in hiring or promoting is that the best qualified person should be given the job. If this principle were followed I am sure we would have a workforce that is truly reflective of the Canadian mosaic.

As a female I find it extremely insulting to suggest that I need special legislation to compete with a man. I believe the things I have accomplished have been because of my abilities, not my gender. I am proud that when I won the Reform Party nomination for my constituency I competed on an equal basis with five males and I won a first ballot victory, not because of my gender but because of my abilities.

During the election campaign the Liberal, Conservative and NDP candidates were all male. While I certainly do not believe I won just because of my gender, it obviously was not a detriment to my campaign.

There are a number of people in this country who are sexist and racist and who engage in other forms of discrimination. They will not disappear just because Bill C–64 is passed. If the government wanted to deal with discrimination in hiring or in promotion practices in the public service all it had to do was make it clear that anyone who engages in such a practice will be immediately fired. If this approach had been taken we would have obtained the same results without instituting the state sponsored discrimination that Bill C–64 brings.

I cannot support any legislation that is discriminatory and racist in content and institutionalizes the concept that individuals in Canada will be treated differently because of their gender or race.

I will not ask government members to vote against Bill C–64 because I look forward to going into the next federal election with them having to defend it, just like Lyn McLeod had to defend her support for employment equity in the recent Ontario election. As the old saying goes, those who forget the past are doomed to repeat it. I take it the Liberals are saying they are intent on following the footsteps of the Ontario Liberals in the next federal election. That is just fine with me.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I was intending to ask the member a question. I have immense respect for the member for Surrey—White Rock—South Langley. In her opening remarks she said the bill was enshrining quotas and numerical targets and I immediately became concerned and consulted with my colleague, the parliamentary secretary to the minister of human resources.

• (1030)

It is very important that the House and the people of Canada specifically understand clause 6 of Bill C–64 because it basically abolishes the entire premise of the member's speech:

> 6. The obligation to implement employment equity does not require an employer
>
> (a) to take a particular measure to implement employment equity where the taking of that measure would cause undue hardship to the employer;
>
> (b) to hire or promote unqualified persons;
>
> (c) with respect to the public sector, to hire or promote persons without basing the hiring or promotion on selection according to merit in cases where the Public Service Employment Act requires that hiring or promotion be based on selection according to merit; or
>
> (d) to create new positions in its workforce.

With respect to the member for Surrey—White Rock—South Langley, the premise of her entire speech goes right down the chute when we read the exact wording. It is not a written speech where people want to take partisan, political gimmick shots. They know there is a current in the community right now which thinks that a bill like this is designed to tell the senior management of business that it must hire 15 people from this country or that country, that it must hire 20 per cent of people of this colour or that colour, or this language or that language, or with this disability or that disability.

That is what the Reform Party is trying to spin on this bill. Quite frankly I find it distasteful. I find it distasteful because the very first day the leader of the Reform Party stood in the House of Commons he said they would not come into the House and take cheap, political, partisan shots. If they saw something good coming from the government, they would not get into political gimmickry, they would support the government. What we have today is a beautiful example of Reform Party gimmickry.

Mr. Epp: Strong principles.

Mr. Mills (Broadview—Greenwood): This has nothing to do with principles. I want to repeat clause 6 for Canadians from coast to coast. I will even go to the person who hates me most in my riding, the biggest Reform Party supporter in my riding who will never vote for me. I will look him in the eye and hold up clause 6 of this bill:

> 6. The obligation to implement employment equity does not require an employer
>
> (a) to take a particular measure to implement employment equity where the taking of that measure would cause undue hardship to the employer;

I am a businessman; my background is in business. That is all I need as a business person. If I can prove for my small business that it will cause undue hardship, then I am fine.

• (1035)

I am a passionate believer in the government's policy on multiculturalism. I am also one of the few believers in the vision for the country that Pierre Trudeau put forth. He was so far ahead of his time as a Prime Minister that the Reform Party does not even understand it. In 1971 Pierre Trudeau stood in the House and said: "We will have a policy on multiculturalism in which no culture is less than or greater than another culture". I know the member supports that.

We have spent taxpayers' money to encourage people who came here, whether they were from Germany, Italy or Austria, to keep their language and culture of origin. We have become a globally trading nation. Today the greatest trading advantage this country has is that there are Canadians who have preserved their language and culture of origin. They can go back to their country or that of their parents and talk about doing deals.

I will give a concrete example. Last week during our recess I spent four days in Austria with my former employer, Frank Stronach, chairman of Magna International. In the last 18 months he has returned to spend a lot of time in his country of origin. Part of this was because of our rotten tax system; the government has to get up to speed on changing the tax system.

I will go back to the notion of multiculturalism. Last week I saw Frank Stronach doing deals in Canadian technology in the automotive industry. He was selling that Canadian technology in Austria. We all think the Europeans are far ahead of us but they are not. Canadian automobile manufacturing technology is much further advanced than in many parts of Europe. He was over there with Canadians doing deals. Because he has preserved his language and feels comfortable with his country of origin, he is doing deals left, right and centre. Is he doing this just for the Austrian community? No, he is exporting Canadian jobs and Canadian manufacturing.

That is why I am so passionately committed to the notion of multiculturalism. It is the greatest trading strength our country has. I do not give a darn what anybody says about Pierre Trudeau's being a centralist. I am a centralist. People knock him for building a strong national government. Our government is dismantling too much too fast.

I call this multiculturalism, phase two. With this bill on employment equity we are further sensitizing our communities, especially our business communities which build on the policy of multiculturalism. Wake up people, because if we can have a business organization that is sensitive to all cultures, all communities of the world, then the chances for our survival will be far greater than if we lived in a cocoon.

There may be one or two minor flaws in the bill but I have absolutely no problem supporting the bill. I will have even less problem going door to door selling it. I will take on any Reformer who wants to go with me, street to street. In the end the Liberal policy will win, if it is properly explained by the words in the act and not by spinning little aspects of it that make it look as if we are trying to punish white Anglo Saxon males. This bill is not about that.

• (1040)

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, I listened to the words of the hon. member. He defended Pierre Trudeau by saying that Mr. Trudeau was far ahead of his time. Not that long ago I was up on the sixth floor of this building looking at a series of photographs which started with Lester Bowles Pearson and went right through to Kim Campbell. I thought that if one wanted to graphically illustrate the trouble with Canada, one could use those five pictures of those Prime Ministers starting with Lester Bowles Pearson, with Mr. Trudeau's picture being the pre-eminent one in the whole lot. That is the problem with Canada.

I come from a business background. The reason I am here in the House of Commons is not that I ever wanted to be a politician. It is not that I wanted to come to Ottawa and be part of this. It is that the policies and the actions of this government over a period of 25 to 30 years annoyed me to the point where I could no longer sit at home and watch what was going on without becoming actively involved.

What we have here is an elitist group of people who believe they know better than anyone else how the country should run. They want to dictate from the top down how we are to organize our lives and run our affairs. That is what the member is talking about.

The whole idea of employment equity is repugnant. Anywhere in the world where this has been tried it has not worked. The employment equity philosophy is that we somehow have to help people because they cannot make it on their own. I cannot think of anything more patronizing. If I were part of one of the minority groups being targeted to be helped by this legislation I would find it extremely offensive. Not only that, this kind of legislation creates divisions in our society that we do not need. It creates an us versus them mentality.

I do not know how many times I have listened to people saying: "I feel like a second class citizen in my own country". That is the kind of feeling this type of legislation generates in people. They feel they can no longer walk around this country and feel they are part of a nation.

I suggest to the hon. member and the members of the government that if they think this legislation would ever be supported by the Canadian people, then put it to a referendum. Find out whether the Canadian people would accept this kind of top down management, this kind of elitist attitude that we somehow can control society and make it better.

These people have the attitude that government has solutions. The attitude of the people on this side, certainly people from the Reform Party, is that government in most instances is the creator of problems not the solver of problems. That is why I am here. The government made so many problems for me in my business that I eventually got tired of being in business and sold it. The government does not create solutions; it creates problems. It is this kind of attitude and this kind of legislation that creates more problems for Canadian businesses and industry.

After this bill is passed the quota police will be going into small and large businesses looking over their shoulders to see who they hire. The whole idea of hiring and elevating people on the basis of merit is going out the window. We will be looking at what kind of disadvantaged group people come from or what kind of multicultural aspect they have to offer to a business rather than whether they have something to contribute in terms of ability, effort and merit.

I find the bill absolutely repugnant. I find the philosophy of the bill absolutely repugnant. I cannot believe that grown men and women would support it. I certainly do not believe that a vast majority of Canadians from coast to coast would support it. Therefore I will be voting against it. I am sure any thinking person in the House will be voting against it.

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, it is an honour to join in the debate on Bill C–64 not only as a legislator but as a practitioner who in the private sector has applied this legislation very effectively. I reiterate what my colleague from Broadview—Greenwood has pointed out. This act when utilized to its fullest potential allows Canadian businesses to be more competitive than any other businesses in the world.

• (1045)

Let us look at the act and figure out what it really asks employers to do. First the act says that employers should look at the demographics of the labour force around their businesses. They should look at the percentages of white able bodied men, women, the disabled, visible minorities and aboriginals, and then look inside at the representation of their employee bases. In almost every case companies look inside and find that they are not representative, not even close to being representative.

When they see that displayed in front of them so clearly very often they ask how they can possibly be serving their customers or clients effectively when they do not have members in their employee bases that come from those communities, that have those ethnic backgrounds or that have that gender understanding.

They then say there is something to the legislation, that there is something they have to do. They begin to ask themselves how they have let this happen. How have they allowed their employee bases to become so homogeneous? What is it about the way they do business that has encouraged this?

In the bill the government requests employers to take a look at the numbers, at the representation, and build targets for themselves, targets and not quotas to give themselves a time line so that they can make shifts and their employed population is more representative of the surrounding society, their customers, their clients. The recommendation in the regulations is that they look at the employment systems that exist within companies: how people hire, how people promote, how they recruit, how they fire and how they retire.

When we actually start to look at the internal mechanisms of how these activities occur it is fascinating to find, unfortunately very often, aspects of systemic discrimination. This is not to suggest that we want to be discriminatory. People do not want to discriminate. However over time things have become systemic or part of the way we do things.

The value of the legislation is that it says that we should stop and think about what we are doing. Is this really what we want to be doing? Every time the answer is no.

For purposes of illustration let us look at some examples. When people decide they want to hire a new employee they think about the skills, the abilities and the qualities that need to be filled by the person who is going to take the job. They may take a lot of time. Some companies take no time to do it; other companies take time. When they get into the interviewing process natural human characteristics sometimes take over and we tend to hire people who are most like us.

Even though we may say we need someone with a particular education, with particular life and job experiences to fill the job effectively, sometimes in the course of interviewing we find somebody who looks like us, likes to play golf, perhaps goes to the same church, and we know he or she will fit in. All of a sudden that is the person who is selected for the job.

We need to recognize we want to make employment decisions based on skills, based on qualifications and based quite frankly on merit. We do not want to mix in things that are not bona fide requirements. When companies sit down and think about how this happens, they prepare for the interview and recruitment process more effectively and as such get better results.

We can think about how jobs are advertised. For example, large companies typically advertise in the *Globe and Mail*. They know a certain kind of person reads that newspaper. Do they think about advertising in the ethnic newspapers, in the *Teka* in my local community that goes to the Six Nations, to broaden the base and increase the numbers of people who are on the slate for consideration?

There is nothing in the legislation that says companies have to select anyone but the most qualified, but they have to create a situation so that the slate is broad enough to include all members of society.

• (1050)

When people start to see the impact of the decisions they make in terms of the recruiting process they say that they do not mean to be but they are being selective. The system has generated itself to be this way and we need to change it. We can think of how jobs become available through word of mouth: the president says to the vice–president who says to his sister or whomever. That is a very selective source of candidates.

Companies need to use different strategies to broaden the slate, but there is nothing in the legislation which says once a slate is determined they have to pick someone from a particular designated group.

We start by going through the employment systems analysis at the hiring stage and at the recruitment stage. Then we start

looking at what happens with the day to day norms in the company, the activities and the way employees interact. One important matter that has come from the legislation is an understanding of the importance of having policies that support a harassment free workplace so that once people come together in a workplace community they can work effectively together. They understand each other's differences. They know they have to treat each other with respect and dignity.

One important learning as a result of the legislation which has not been developed very quickly but with patience, understanding and education over 20 years is that harassment free workplace programs are vitally important.

Another thing which I have seen magically take hold in communities is the value of cultural diversity training where we sit down and understand social, economic and ethnic differences among Canadians. When we sit down, talk about them and understand them suddenly the barriers that stopped people from working together are gone and the value of being able to enjoy differences, celebrate diversity and understand different ways of getting to the same end makes a company a thriving, competitive organization.

First they have to take a look at the demographics. Then they have to take a look at their companies to see if there are processes that are systemically stopping them from engaging all Canadians in the workplace. This is not a bill that revokes the merit principle but quite the opposite. It says to use the merit principle but use it fairly and equitably. Their decisions should be based on skill, bona fide job requirements, qualifications and characteristics; not on a person's social history.

I can tell a personal story about working for a company. After I had been there for a couple of years and had been identified as perhaps being someone who could progress through the system, I was given a test to write. It had nothing to do with whether I could do mathematics or whether I could relate to people. It asked me about the history of my parents. Did my father belong to the Moose Lodge? Did my mother belong to the UCW? How many children were in my family?

This was not very long ago. I sat back and thought these were the measures they used to determine success in the organization. They were building a homogeneous population of white able bodied men at the top, typically from the same university and with the same graduating degree. Thanks to this legislation that company looked inside and discovered it was a detriment to its capability and its competitiveness and it is no longer there.

The bill is not about revoking the merit principle. It is not about reverse discrimination. It is about reversing discrimination and making sure we have a level playing field for all Canadians to participate. It is an important piece of legislation.

As a human resources practitioner I can say that if they follow the model presented through regulations they will effectively create for their companies a very good, strong working human resources plan and process. It is there in the bill. Quite frankly it is about treating individuals with dignity and with respect.

• (1055)

Like my colleague from Broadview—Greenwood I am proud to stand in the House in support of Bill C–64 as we continue very slowly but very effectively with the changes we need to make the country's workplace the engine of our future: competitive, fair and equitable.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I feel very privileged to be able to stand in the House to enter this important debate.

When I was first elected as a member of Parliament in 1993 I came here with very high ideals. I have grown to like this place. We have here, for the most part, freedom to debate ideas and concepts which profoundly affect society and have a huge impact on our well–being as a country.

I begin my intervention by clearly stating that I do not question or judge the high motives of some hon. members opposite. Those who have spoken favourably with respect to Bill C–64 for the most part are sincere. I accept that. I also invite them to consider that I believe sincerely in the views I will put forward in the next while.

It is important not to reduce ourselves to name calling but rather very honestly and openly question the bills before us. We should have the freedom to amend bills so that the end product is the absolute best for the people of Canada.

I believe very strongly that I am not only fulfilling a role as a member of the opposition by being against these things. Certainly there are elements in all bills which bear reason for support. I say as a member of Parliament—I would do this if I were a government member—that if I identified a flaw in a bill I would as forcefully as possible bring it to the attention of the House and urge the House to amend the bill or defeat it. Unfortunately in the way Parliament works that is not an option. I regret that. It is unfortunate that government members opposed to the bill lack the freedom to effectively influence change.

I agree with the premise that people ought to be treated equally. Members opposite have said quite often that this is a bill about equality. The word equity comes from the same root word meaning equal or equality. We cannot tell a book by its cover. In this instance the bill labelled a bill about employment equity, implying employment equality, just does not deliver. It so happens that while the bill speaks of equality it actually entrenches inequality. I say that with all due respect.

Members opposite are correct when they say that we have a history in which some people have been discriminated against on invalid grounds: grounds of race and grounds of gender. When I was a young man we were discouraged from entering the nursing profession because it was a job largely filled by females. There was a prior bias in the different ways of hiring.

Every time there is a position to be filled certain discriminatory principles will be applied. I was for a long time in charge of hiring in the place where I worked. It is true. Sometimes we had 200 applications for three positions. We had to apply criteria to decide who would get the jobs. I believe I did this with honesty and integrity throughout. I always asked the question who is best able to do the job?

• (1100)

I did not ask the gender of the person. I did not ask what was their racial background. I did not look at the colour of their skin. My records will show, if anyone would like to check, that as a private businessman and a supervisor in a technical institute there was no evidence of discrimination. All I asked was that this person be the best qualified to do the job. That is to me an overriding principle.

The intrusion of these various elements into evaluating a candidate for a position is totally unrelated to the ability to do the job. They are entrenchments of inequity and inequality. I urge members of the government to think very carefully about this. Do not pass it off. Do not get emotional about a bill that you have come to love, but ask yourself whether it really does the job.

At the beginning of this bill it states that the purpose of the act is to correct disadvantages in employment experienced by women, aboriginal peoples, persons with disabilities and members of visible minorities.

I would be the first one to get up and scream if someone were denied a position because she was a woman and for that reason only, or because he or she was native and for that reason only. I would object strenuously. As I said before, my policies in my past and even as a member of the House of Commons are that I do not look at those things, I look past and beyond.

We have heard quite a bit of talk, especially from the member for Greenwood, about the fact that this bill does not require quotas, that there are exemptions for employers. The bill says "where there is undue hardship to the employer". I beg to ask what is the definition of undue? It is so loose it does not mean anything. There is no reason for people to obey this bill if it means that they would have to hire or promote unqualified persons.

This is a good reason to vote against this bill in its entirety. It gives two conflicting messages. One says that you must hire these people based on their numbers in these groups. On the other hand, it says that you do not have to because you should test them based on their abilities. You should not have to hire unqualified persons.

In that case, the bill presents a real conundrum. There is no solution to this problem because you have two conflicting sets of criteria.

I also challenge the member's statement that this is not about quotas. Liberal members talk over and over again about business practice being enhanced by this bill. I beg to differ and I differ strongly because right now, to my knowledge, no legislation in Canada says you cannot hire the best people if they are in one of these groups. The absence of this bill does not present any difficulty to business at all.

We have had examples mentioned of different businesses that are working toward providing more equality in the hiring place and eliminating barriers. They have done it because it is good practice.

If they are doing it because it is good business practice, then the legislation is redundant. The only thing that this legislation is going to do is develop a huge bog of bureaucracy that will once again slow down the efficiency of business and of our economic well–being. What am I talking about? I am talking about what the employer is required to do because of this act. "Every employer shall collect information and conduct analysis of the workforce. With respect to whether or not there is a degree of under–representation of persons in these designated groups, he or she is to conduct a review to identify employment barriers. Only those employees who identify themselves are to be counted".

• (1105)

I digress for a moment but there is a flaw in this bill right there that gives me a reason to vote against it. I beg the members on the government side to consider what they are voting for when they follow their party leadership later today and all dutifully, one after the other, stand up and say, yes, we are in favour of this bill. Listen to what it says: "if employees choose to identify themselves they are to be counted". Otherwise they are not counted.

Let us say one of the groups in the area represents 20 per cent of the population. Let us say a business actually has 20 per cent in this group. Let us say they exercise their constitutional right not to identify themselves. The reason the disclaimer is in the bill is that it is so close to being unconstitutional, it requires identification of oneself.

Let us say that the 20 per cent of people working for this business exercise that right and do not identify themselves. They cannot be counted. Though in truth they occupy one–fifth of the positions in this business, they are not counted. When a position becomes open, they are under–represented according to the books. Therefore there is an obligation to hire another one of them.

They could by simply not identifying themselves keep that ball rolling until that workplace is entirely filled with people in that group, discriminating against everyone who is not in the group. That is a major flaw in this bill.

We tried to amend it. Reformers moved amendments in committee and the Liberals dutifully voted them down. I guess they did not want to think for themselves. The people who were telling them how to vote were not thinking very clearly either. That is what happened.

I urge all Canadians to ask themselves if this is such a wonderful bill and if it reflects what Canadians are truly about and if the members of the government truly believe this—I ask again in this context, why is the bill necessary if that is really true—why these draconian enforcement measures?

Why do we have enforcement that says that every employer shall make all reasonable efforts to implement its employment equity plan and to monitor it? Why is it that the government requires that employers maintain these employment equity records and that they file with the government, annually, a report respecting how they are fulfilling their quota.

Government members do not like to use the word quota because quota unfortunately is a word that means force. It means big government. While they want to do the same thing, they do not like to use the word quota.

They will say that nowhere in the bill is the word quota mentioned. Proportions are mentioned. The numbers are there. If that is the case and each business has to report, it has to report the salary ranges of people in these different groups. It has to report the number of employees hired in each group. After it has reported and only those employees, by the way, who have agreed to identify themselves are counted, in fact the employer could be doing it and it does not even hit the record.

In all instances we find it is just big brother. In the end—

The Deputy Speaker: I am very sorry to interrupt the member but through an error on the Chair's part he has had five minutes more than he should have had.

• (1110)

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I am pleased to rise today to speak on this bill.

I like to call the bill respecting employment equity an act without respect for the abilities and sensibilities of Canadians. I put forward that the act perpetuates several myths: there is systemic discrimination that will be cured by systemic remedial measures; the myth of righting the historical wrongs of the past by proactive reverse discrimination in the present; the myth of addressing the problem of racism with a far more dangerous version of the same; and the myth that government mandated crutches to groups when those groups only desire to compete in that race from the same starting line.

I speak in opposition to the bill and its policy of affirmative action in all matters related to government operations that is dressed in the guise of the euphemism of employment equity.

I noticed the member for Brant mentioned that in making an application for a job the government is asking about membership in a club or background or whatever. She took offence to that and I agree with her offence to that kind of thing.

This weekend I was looking at an application for a university for my daughter. That application was for a post graduate position in the university and included a page to ask her if perhaps she was disabled, or if she was from the aboriginal community. She was asked to identify herself presumably to gain entry to a program that should be equally available by academic achievement and by ability in one of our public institutions. As she takes offence at the questions asked of her, I take offence that my daughter should be asked certain questions that are outside her academic ability to enter an academic institution in the public realm.

That is very much the case in many of the areas in our society. We have taken one situation and given it another solution which is going to create a larger problem.

I speak not just as a Reformer but for the vast majority of Canadians who I know feel as I do, that people desire to be recognized for their ability—my daughter, myself and members of the House included—for their personal qualities and not for the colour of their skin or for their personal characteristics.

Along with a colleague from this side of the House I served on the committee on human rights and the status of disabled persons. I took part in the examination and hearings on this bill. We submitted over 40 names to be considered as witnesses to come before that committee. Those witnesses' names were submitted to offer balance to the discussion and what we felt was a majority perspective, the public perspective on many of these issues. Of the 40 names we submitted, only four were brought before that committee. From what I see in the report which the government produced, of those four none were heard.

When the Liberals came to power they trumpeted a new and open process of government. They chose to refer this bill to our committee before second reading. In reality what that did, and certainly at the end of our sessions in the spring, was remove that bill from public scrutiny and then allow this orchestrated affirmation of the broad concepts of the bill.

I was interested in many of the witnesses who came from across Canada through the choice of government. When we asked trade union representatives for instance how their experience of employment equity came about, they were very pro this bill. They supported what the government had to say. When

questioned concerning their own advancement or achievement of the goals of this bill, their own structures denied that they took it seriously. They were very willing to apply it to companies or to businesses but not to its own administrative structure, where there was an obvious lack of representation from the disabled community and the aboriginal community. Generally speaking, women were not doing too badly in most of these situations.

• (1115)

I get the feeling that some of these programs put forward by the government are simply vehicles for certain groups to put forward their agenda. The groups that perhaps need government consideration for programs the most are denied or shunted aside while the more vocal groups take the stage.

I want to comment on an aspect in this bill that has not yet been addressed. It is in terms of my recent experience at the fourth world conference in Beijing. This applies very much to the concept of employment equity. Our government signed the document to that conference, which was very much in support of affirmative action. It becomes very plain after reading the document that it is an affirmative action program our government signed in the name of the Canadian people on the platform for action.

The platform for action from the Beijing conference commits all signatory nations to implement over 500 actions by the year 2000. In the next five years we are supposed to put in place 500 things that nobody really knows about here. They were signed on to half a world away.

I question our government's accountability in that process. Certainly around the world and across Canada employment equity has been denied by the public—certainly not by this government, because it has not been listening to the public. It has now extended that, again completely unaccountably half a world away.

Let me read one section into the record. This is part of the platform for action: "Implement and monitor positive public and private sector employment equity and positive action programs to address systemic discrimination against women in the labour force, in particular women with disabilities and women belonging to disadvantaged groups, with respect to employment, hiring, retention, promotion and vocational training of women in all sectors".

We are working on a bill here that I believe does not have the support of the Canadian people. Our government has put this not only in the public sector but in a private sector agreement in an international document it has signed on to. I am not even sure if Canadians know that. It has done that without resolution of debate on this issue in this House and certainly no debate on its signing on to the documents from the United Nations.

Will this document from Beijing ever come to the House? Here we have positive public and private sector employment equity agreed to elsewhere, but will we be able to discuss it here? We have signed on to something with no accountability coming through from the status of women people or anybody telling us what they have done, let alone that they should not have done it without accountability. I question whether they will even admit it when they get back here.

We are committed to an aggressive program of affirmative action. It is an umbrella program that covers all federal departments. This is not simply the status of women people who are going to work with special interest groups. The program that has been defined in our signing on to this document encompasses all federal departments in all areas, looking through what is called a gender lens, which would reflect public and private sector employment equity and positive action programs.

I am amazed to hear the government saying it is open and available to Canadian opinion when it goes behind closed doors or behind the globe and signs on to documents that are not only against public sentiment but have no accountability in the House. I object strongly to the denial of open government and of the wishes of the Canadian public.

• (1120)

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is a pleasure to stand and speak to the bill. In the last session this bill was kind of my baby. It was something I was supposed to shepherd through the committee process, through the amendment process, and so on. It is only proper that I spend a few moments talking about the bill and why the Reform Party feels it must oppose the bill in its current form.

I should mention a little about the whole process. This was one of the bills that was referred to committee after first reading. Supposedly at that time it was to encourage debate and amendments and the creation of the bill at first reading stage in committee.

I remind the House that during that session things happened in committee that are almost unprecedented in the history of the House. We had limited debate of only five minutes per clause. We were not allowed to submit amendments because they were not in both official languages, only in English. Certain portions of the bill were passed without a vote. It was a real travesty.

The ironic part is that it was on the human rights committee that this all occurred. It was a very souring experience. I did report it to the House at the time. I re–emphasize that it is a very poor way to draft what is very controversial legislation.

I will speak on a few points about the bill and then I will talk briefly about the Reform Party's alternative. Contrary to some of the bafflegab that has been coming from across the way, the Reform Party does have a solution to what the bill is supposed to be addressing. We have some ideas on hiring practices and how to encourage employers to make sure their workplaces are without discrimination. I will put those on the record as well.

I find it interesting that in the bill the Prime Minister's office is not included as being covered under employment equity. It is interesting that the top office in the land will not be subject to employment equity. Why is that? Why are private enterprises that do business with the federal government, the federal government itself, crown corporations, the armed forces and so on all covered but the Prime Minister's office does not want to be covered under the legislation?

I remember making that proposal in committee and it was rejected by the Liberals. I find it interesting that when it comes to their own significant offices they are not prepared to allow themselves to be covered under this employment equity legislation. It is an interesting thought. I wonder if sometime the Prime Minister could expand on why he and his office should not be covered.

There has been recent controversy about the statistical base this whole thing is predicated on and the problems with the statistical base. In the last census 10 per cent of aboriginals refused to even be enumerated in the census. That is just one example of how the statistical base is often skewed. When supposedly the workforce is to be exactly representational, sometimes it is not possible to know because of the skewing of the statistics.

Another thing that was brought out in question period a little while ago is that in the last census almost a million people refused to designate themselves by ethnicity and background. They said "I want to be called a Canadian, please. Just call me a Canadian. Treat me the same as everybody else and I will be happy". Of course the Liberals will not allow that. The next census will make sure all people have to indicate which category they fit into. They will not be allowed to call themselves just Canadian; they will have to indicate they have some form of ethnicity. That is a shame. We should be working toward commonality but instead we are driving in a wedge, trying to drive people apart.

• (1125)

I have heard a lot of talk today that this legislation is not about quotas, that this does not force people to hire a certain percentage of people of certain gender, minority status, and so on. That is simply not true. For example, say we had witnesses from the RCMP who said that in the RCMP in the coming year there will be the following people hired: 238 females, 238 people of visible minority status, so many people from aboriginal groups. In other words, they would be providing exact numbers. When we start quoting numbers like that, what is the difference between that and a quota? There is no difference. We are talking about exact numbers to meet numerical goals arbitrarily set by the government. That is a shame. The government can say that it does not include quotas, but the numbers and the proof are there, which again is why we oppose this legislation.

This legislation is opposed by the Canadian people. In British Columbia, the area I am most familiar with, only 11 per cent of people say they are supportive of this legislation. This includes almost exactly the same proportion of people from any of the so–called designated groups, who do not want to be patronized, do not want to be told the only way they can get a job is because the government is going to somehow pave the way for them. Most people from all groups say: "Just give me a chance, just let me have an opportunity. I will get a job and I will be able to hang on to it because of my abilities, not because the government has said so".

Self–designation is supposed to be a voluntary process. In other words, you do not have to self–designate yourself into any group if you do not want to. At least that is what the government would have you believe. The problem is the lines are already being blurred on that. The Department of National Defence put forward a questionnaire for employment equity purposes. The top part of the form is compulsory, including your name, your rank, your serial number, your whatever from the military. In the fine print it says that you do not have to fill out the second part if you do not want to.

Already there is a record of everyone in the military who is willing to co–operate with the government and those who are not. They already have that information. If you have been a good boy or a good girl and you have done what you have been asked to do, then you get that in your file. If you did not fill out the form, that is also there. In other words, you are not co–operative if you did not fill out the form. You did not help them do what they think is their job.

The lines are very blurry between this voluntary self–identification and the compulsory self–identification that characterized stricter forms of apartheid such as happened in South Africa. It becomes a very blurry line when we force people or even ask people to indicate on an application form whether or not they are a visible minority. To think that this is possible in Canada.

Taking this same attitude to an extreme, during the committee hearings we heard about what happened at the University of Guelph, for example. They put a line down the middle of the student lounge and one side of the lounge was for visible minorities and the other side of the lounge was for whoever was not a visible minority. This is the attitude this sort of legislation promotes: think of yourself not as Canadian; think not as an employer or an employee; think not as a person with equal rights

and worth in the world; think of yourself first and foremost as members of groups, divide yourselves up, divide the workforce. If you are working beside someone, do they have the job because they are the most qualified? That is to be hoped, but is it the case? Is it like the student lounge at the University of Guelph where it was said: "Let us separate the people. We will put all the coloured people on this side and all the white people on that side"? Is that where we are heading? This type of legislation promotes that.

• (1130)

This legislation was designed in Ottawa. I wonder if these people have ever been to the west coast of Canada. I wonder if they have ever been to the greater Vancouver area. Have they been to Richmond? Have they been to Abbotsford? When Mr. Spicer appeared before the committee I put it to him that if he were to say he would not hire visible minorities he would go broke. He would have to hire visible minorities in order to hire the most qualified people or he would go broke. The marketplace would determine that. In British Columbia that is a fact.

I told Mr. Spicer there is a Hindi language radio station in the lower mainland. Under CRTC rules, compounded with these rules, more hoops and more bureaucracy, the radio station will have to show in its designated groups how many people are visible minority status, their gender and all the rest of it. This is a radio station which is addressing the needs of the Hindi speaking people of the lower mainland of which there are quite a few, over 100,000. To say to that station we would encourage it to have so many aboriginal people in its workforce is ridiculous.

The employment opportunities will come and will be determined by the marketplace. We have said that the Canadian Human Rights Commission is there to protect individuals from discrimination. That is its job and I encourage it to do that. The Canadian government could serve a role by advertising jobs properly and extensively; by implementing a comprehensive system of student loans; by making post–secondary education responsive and accessible to local people, in other words not denying people educational opportunities; by performing objective job testing; and also by being a model employer in the area of access and reasonable accommodation for the disabled.

We can deal with the problems in Canada without this legislation. This legislation is bad for Canada. It is unnecessary, it is coercive and I believe it should be dropped.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I am pleased to speak on Bill C–64. I had prepared a speech for this bill some time ago but a lot of what I had intended to say has been said. However, there are some things about the legislation which I must present to the House today.

The stated purpose of the legislation is to put equality in the workplace and to correct some conditions which are in the workplace or had been in the workplace in the past and are unfair. That is the stated purpose of the legislation. Who could speak out against that as a goal? All of us in the House would like to correct the unfair situations in our society, particularly those concerning employment. None of us wants discrimination and none of us is willing to tolerate in any way discrimination in the workplace based on race, gender, or any other factor. The stated intent of the legislation in terms of the problem which it is meant to fix I do not believe is a problem for any of us.

Bill C–64 is oppressive legislation which is not only unnecessary in today's society but is very damaging. What is in the legislation disturbs me and many of my constituents and others across the country to whom I have spoken about the legislation. It bothers a lot of people. Polls have shown of course that people across the country do not support the concept of employment equity or affirmative action, call it what you like.

• (1135)

There are two schools of thought when it comes to employment equity. The first is that legislated programs are necessary to fix a wrong, especially wrongs that were in the workforce in the past. The second is that employment equity is flawed because it advocates the hiring of individuals based on personal characteristics, not on merit. Those are two opposing schools of thought.

A third view I have heard expressed is that possibly sometime in the past there was the need for some type of affirmative action or employment equity legislation. It was necessary sometime in the past because of discrimination in the workplace. That position is tolerated by a lot more people than the position of bringing this piece of legislation forward today, where conditions are not nearly as they were in the past. Empirical evidence and good information has shown that there is much less discrimination in the workplace now than there was in the past.

I repeat that there should be no tolerance of discrimination in the workplace, period. I do not and will not tolerate it and I do not believe any member of the House will tolerate it.

I will read five points to lay out the Reform position briefly. First, all Canadians are equal before and under the law and all workers have the right to be free of discrimination in the workplace. Again, I do not think anyone in the House and hopefully no one across the country would argue with that point.

Second, the market will provide solutions to a representative workplace in the private sector. The hon. member from Fraser Valley West who spoke before me and others of my colleagues have spoken to this issue. Business which is practising good business will hire people who can best relate to the customers. That in itself should mean there will be people from all visible

minorities hired in the workplace in a way that makes sense, not because of quotas.

Third, the role of government is to ensure equality of opportunity rather than to determine equality of employment outcomes in the public sector or beyond the public sector. Equality of opportunity, that is a role of government, but a government cannot ensure equality of outcome, nor should it try.

The fourth point Reform puts forth with regard to employment equity is that the workplace should be free from arbitrary obstructions to hiring and promotion. Merit must be the sole hiring criteria. I believe this and evidence has shown that a majority of Canadians believe in this. That would mean that Canadians do not support Bill C–64, the employment equity bill.

The fifth point is that employment equity legislation is coercive, discriminatory in itself, unnecessary and costly and it should be discontinued. Bill C–64 should be thrown out. The vote this afternoon should throw this legislation out because it is bad legislation. Not only that, employment equity legislation from the past should also be thrown out.

I congratulate the Mike Harris government in Ontario for promising to do exactly that. I sincerely hope the Ontario government will carry through on that promise. I believe it will.

• (1140)

What do various groups involved in the workplace have to say about employment equity? First, when it is known that employment equity is involved in the hiring practice, employees going about and working in the workplace look across the room. They see another employee from one of the groups designated in the employment equity legislation and they have to wonder was that person hired because they were the best and most qualified for the job, or was that person hired to fill a quota under an employment equity program?

What kind of work environment is that? It is not a healthy work environment at all. Fellow employees would always have that doubt in their minds that members of visible minorities and so on were hired based on quotas rather than merit. It is not fair to them and it does not make for a healthy environment.

What about the very groups that are targeted to fill these quotas in this employment equity legislation? What about the visible minorities, women and others who are targeted in these quotas? How do they feel about legislation like this? Although I cannot say how many, I can say that many people from these designated groups this legislation is intended to help have said to me they want no part of it for two reasons.

The first reason is that they have doubts as to whether they were hired because they were the best qualified or whether they were hired to fill a quota. Imagine what it would do to a person in the workplace, feeling that they were well qualified for a job but always having that doubt, wondering whether they were hired to fill a quota rather than because they were the best qualified. That is not a healthy work environment for those people either.

What about that other group, the people excluded from jobs because they do not fill one of those categories set out to be filled by quota? For example, I have had several people say to me that they do not like not even being eligible to apply to the RCMP. Employment equity has been in the RCMP for some time. White males simply are wasting their time if they apply to the RCMP and this is one example.

How do those people feel? They feel resentment against not only the body that has put these rules in place but against the groups targeted through quotas. That is sad and unacceptable. This kind of thing must end. It is not a healthy environment for that type of person. They can never find their way into that working environment.

There are a couple of people I have come to know well since I have been involved in politics. It is only because they talk to me about being part of the excluded group. They are indeed upset. Both of these people whom I have talked with many times on this issue have been excluded from what they want to do with their lives. They are young males, 25 years old. They want to join the RCMP but have been excluded because of these quotas. It is sad. It is wrong and it is unacceptable.

Another group in the workplace affected in a negative way by these quotas is the employers. Other members from my party have made it clear these are quotas we are talking about. The companies will be affected by this legislation. They have been affected in the past by previous employment equity legislation. How do they feel about this?

• (1145)

I have talked with a couple of companies in my constituency that depend to some extent on government contracts. They have been excluded in the past, before the new legislation, because they simply could not get the proper mix required under the quota system to qualify for jobs from the federal government. They could not fill the quotas.

These companies are upset not only about the fact that they could not get the contracts but because it costs them money. These are not extremely large corporations but they are large for the area. It cost them money to hire someone to see how they were doing with regard to quotas, to keep track and to hire people to fill the quotas. It is damaging to the employers as well.

I have gone through the list. Everyone in the workplace falls into these four groups. I ask members of the governing party in the House and members of the not so loyal opposition why they would support this piece of legislation when none of the groups think it is good legislation. There is not therefore good answer.

It is sad that we will pass the legislation. Because of the dictatorial style government across the Chamber I know it will pass. Those members will not dare vote against the government position therefore legislation will pass that very few people want.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, when I read Bill C–64 for the first time I could not help but wonder if George Orwell might have had something to do with its drafting. Most people have read the book *Animal Farm* and would remember the pig who made the famous statement so often quoted: "All animals are equal but some are more equal than others".

That is the sort of thing the bill will create in Canada. The bill is not about equality. It is not about putting people on an equal footing. It is quite the contrary. It is about creating divisions among us. It is about creating different classifications of Canadians. That is wrong.

We have long had a public policy of hiring and promoting by merit. It is also generally the policy in private industry. A speaker earlier said if we do not hire by merit we will very quickly go broke. When we hire by merit and if the meritorious person happens to be within one of the designated groups in the legislation, obviously the person should and would get the job.

Rather than being about the equality of persons the legislation is about the Liberal propensity for regulating, controlling, creating bureaucracy and in general getting in people's faces. Why do we not leave people alone? Canada is working very well. Canadians are basically good people, people of goodwill. We are friends. We have a multiracial society. It is working. Why do we have to poke our finger in a wound that the government will create by itself? It is nonsense.

I worked overseas both in a private capacity and for several years with the United Nations on a large number of highly motivated, highly skilled technical teams. They were multiracial. They were not multiracial because somebody wanted them to be. They were multiracial because applicants had been selected from all over the world for these jobs and they took the best. We were the best and we were proud of it. If they had been created by affirmative action programs I would not have had anything to do with those groups. I would have slunk away and hid.

• (1150)

This will happen in Canadian society if affirmative action is enforced. We will see very good, capable people belonging to minority groups that have jobs either in private industry or in government but feel self–conscious, demeaned and patronized. There will always be a question hanging over their heads about whether they got their jobs because of qualifications and ability or a bit of tokenism. Were they hired because of colour, race, language, gender, or whatever? Government has no place getting involved in telling people who they can or should not hire. It is offensive. It is wrong.

I was probably campaigning for equality of races before most members of the House were born. I recall when I was a young teenager collecting the occasional lump because of my curious attitude on the matter. I find it terribly offensive that some members opposite who spoke earlier had a self–righteous and smug attitude toward me and my fellow party members. They inferred that because we opposed their racist legislation we were racists. They are turning sociology on its head.

Mr. Benoit: Liberal logic.

Mr. Morrison: This is Liberal logic. When I came to the House today I did not intend to speak to the bill. However I had to get up because I was so incensed by the remarks of some people opposite. I do not have a long, prepared speech and therefore having made my case I will return to my seat.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I should like to add something to the debate. I had not intended to do so but I cannot believe the government is rushing through the legislation in a self–serving and smug manner. It is pretending that it is only concerned about fairness and giving everyone a fair chance when the legislation is so incredibly flawed that no intelligent, sensible person could possibly support it.

Anyone who does not support the bill, however, is branded racist, sexist or lacking in compassion and fairness. It is a sad commentary of the debates of the House of Commons when people cannot attack bad, flawed, unworkable legislation. Instead of being met with logic, reason and persuasion, they are met with labels, brands, sneers and distortions of their motives.

I appeal to members of the House to serve Canadians better by looking at the issues, at logic and at what is good for the country instead of hurling epithets and questioning motives. We know that is not the way to get good legislation for the country.

There are seven reasons why the legislation should not be supported. I will go through them quickly because I think Canadians watching the debate need to know about this piece of legislation. Not only their elected members should not be supporting it, but the public should not be supporting it and should be extremely concerned that the legislation will be foisted upon them by a Liberal government looking at doctrinaire and running ahead to say that it has done something rather than doing what is right and best and proper for the country.

• (1155)

The first reason, which should be enough of a reason in itself, is that it institutionalizes discrimination. How can anyone possibly support a piece of legislation that discriminates against people in the marketplace on the basis of race, sex or skin colour?

We have built Canada by being open and fair minded to everyone. Why on earth would we institutionalize a terrible process whereby we would not be Canadians or people with skills, abilities, knowledge and services to offer other people? We would be hired because of the pigment of our skin. Surely we can do better than that.

We should not encourage or institutionalize discrimination in any way, shape or form, and that is exactly what we are being asked to vote for. I cannot believe members opposite would do such a thing to our country.

The second reason out of the seven is that the legislation demeans designated groups as not having equal ability. Why would we put into place legislation that says since certain people cannot cut it on their own employers will be forced to give them extra breaks? It is an insult to tell people in certain groups that they do not have the guts, the brains, the ability, the competence and the merit to make a life on their own without other people being forced to give them special and extra consideration. That is not what we should be doing. It will not be any kind of help to people in the designated groups.

The third reason is this kind of legislation divides rather than unifies the country. A number of other speakers have mentioned this point with great eloquence, but Canadians need to think about it. Instead of being a Canadian, being someone who has skills, being a good employee, being someone with initiative, drive and ability, we will now be in little groups. We will be women in the workplace. We will be persons of colour in the workplace. We will be aboriginals in the workplace instead of employees who are damn good. This is not the way to build strong businesses and it is not the way to build a strong country.

The fourth reason is the legislation places unfair and unwise restrictions on job creation. What does it say to employees who know they do not have to show a lot of merit in the job because the employer needs them to fulfil the quotas under the legislation? The businesses cannot do without them; they need them. They need these token people in the workplace so it does not matter if they do not strive to do the best job possible. They have to be there anyway.

It will mean all kinds of bureaucracy, legislation and regulations on businesses already completely overburdened by the economic tinkering of governments that think they know better than anybody else how to run an economy. Instead they are just burdening them with the weight of unreasonable demands and economic and social tinkering.

It is time to stop that. It is time to let businesses create jobs for our young people. It is time to let businesses get on with running efficient and effective service oriented businesses. It is time to quit letting governments that pretend they are helping everybody do it on the backs of business. That is one of the reasons we are in trouble.

An hon. member: Oh, oh.

Mrs. Ablonczy: The member opposite is making a lot of noise. He knows that very well. He has been talking about how to get businesses economically viable again. He might give some thought to how we can do that. It certainly is not by another big, fat, thick layer of red tape for businesses.

The fifth reason is the legislation places undesirable coercion on businesses to be good co–operators with bureaucrats. Surely we have seen enough in other countries where bureaucrats make life miserable for people who are working and running businesses.

• (1200)

Here we have another instance in which if you are not a good little business person you will be punished, harassed, hassled. You will be given all kinds of requirements and restrictions and will have to fill out more forms and have some pointy headed bureaucrat breathing down your neck before you can even do your job of running your business. Why would we have this kind of coercion and interference to the people of our country?

The sixth reason is it violates the principles of natural justice. To me this is a huge area. It says we are not all equal before the law, that some of us are more equal than others. It contravenes the basic democratic principle that everyone is entitled to a fair trial. Instead we have an employment equity tribunal, which is like a kangaroo court from which there is no appeal at all and which does not even have fixed rules of law under which to operate. Incredibly enough, it also entitles search and seizure of business records and business premises in order to ensure compliance.

Last, I point to the undue haste with which this legislation has been put in place. Other speakers have mentioned this but even in committee it was not properly looked at. It was not properly debated. This is not the way to put good legislation in place for our country.

I am afraid it is a futile effort because we know the top echelons of the Liberal Party have told their backbenchers that everyone has to vote for this legislation. I urge us to look at what is best for the country for a change instead of having a knee–jerk vote, putting in bad legislation and having all the problems I have just mentioned down on the heads of a country that is already struggling.

The Deputy Speaker: There being no further members rising on this bill, pursuant to the order made earlier today the question is deemed put, the division deemed demanded and the recorded division deferred until 5 p.m. today.

* * *

CANADA–UNITED STATES TAX CONVENTION ACT, 1984

The House proceeded to the consideration of Bill S–9, an act to amend the Canada–United States Tax Convention Act, 1984, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Deputy Speaker: Colleagues, a ruling with respect to this bill.

[*Translation*]

There are two motions in amendment in the *Notice Paper* at the report stage of Bill S–9, an act to amend the Canada–United States Tax Convention Act, 1984.

[*English*]

Motions Nos. 1 and 2 will be grouped for debate and voted on separately. I pose Motions Nos. 1 and 2 to the House.

MOTIONS IN AMENDMENT

Mr. George S. Baker (Gander—Grand Falls, Lib.) moved:

Motion No. 1

That Bill S–9, in Clause 3, be amended:

(*a*) by replacing line 21, on page 1, with the following

"3.(1) The Act is amended by adding, after"; and

(*b*) by adding after line 23, on page 1, the following:

"(2) The amendment to the Convention in paragraph 1 of Article 5 of Schedule IV, as set out in the schedule to this Act, shall not apply after 2000."

Motion No. 2

That Bill S–9, in Clause 3, be amended:

(*a*) by replacing line 21, on page 1, with the following:

"3.(1) The Act is amended by adding, after"; and

(*b*) by adding after line 23, on page 1, the following:

"(2) Benefits otherwise payable under paragraph 4 of Article 21 of Schedule IV, as set out in the schedule to this Act, are not payable where no tax is payable in Canada in respect of the property or income that is taxed in the United States."

Mr. Baker: Mr. Speaker, I rise on a point of order. Does this mean each member gets only 10 minutes on both amendments before the House?

The Deputy Speaker: That is the ruling of the Chair.

Mr. Baker: Mr. Speaker, I will have to cram into 10 minutes the substance of two things, an enormous tax break of 50 per cent for American companies operating in Canada on their profits, a 50 per cent tax cut—

The Deputy Speaker: In light of what the member has just said, is there unanimous consent to give the member 20 minutes to speak to this?

Some hon. members: Agreed.

Mr. Baker: I thank the hon. members of the House. That relieves me somewhat. I will calm down and try to explain to members and the Canadian people and members of the Liberal caucus why I make such strong objection.

• (1205)

This Senate bill is supported by the Reform Party and it is supported by the Bloc in the House. They are the official opposition and they are the back–up for the official opposition.

Mr. Silye: It is supported by the government.

Mr. Baker: The hon. member from the Reform Party says it is supported by the government.

The Bloc as well stood up in the chamber on second reading and in the committee of the House when this bill was being dealt with and said "We love this bill. Give us more bills like this that give huge tax breaks to American companies operating in Canada".

However, that is not all the bill does. The bill gives a tax credit to anybody who has property is the United States valued at over $600,000 and who happens to die and is subjected to the estate tax in the United States. Now the Canadian public will have to make the payment on behalf of that person to the U.S. government.

Mr. Speaker, as you know, if you die in the United States, in come the people from the Internal Revenue Service and they assess the value of the paintings on the wall, the value of your car, your garage, your backyard, your orange trees and your grapefruit trees—they look at everything. If it comes to over $600,000, they sock it to you with what is called the estate tax. We had it in Canada prior to 1971, but not on the scale it is in the United States. The normal grab is about 54 per cent of everything you have over $600,000, which includes stocks and bonds, even if they have been obtained through a Canadian broker, if you have that property in the United States.

In Canada we have unrealized gains upon death, capital gains, but that is a different story from the estate tax. Nobody comes in and looks at your home. If it is valued at $20 million it is not taken into account because that is your residence. Nobody looks to see if you have a $100,000 Rolls Royce in the driveway. That is not counted in Canada because that is your personal property

for personal use. It is a different form of taxation. This Senate bill gives you a tax credit, which is paid for not just by the Canadian treasury; this is out of the pockets of Canadian citizens. That is a tax expenditure. That is what is wrong today.

People wonder where the money has gone over the years. Why could we afford health care and education transfers to the provinces and a big public service 20 years ago and we cannot today? Auditors general since 1985 have identified the main culprit as being tax expenditures. This tax expenditure will mean the Canadian people will pay for your estate tax in the United States of America. The Canadian people will pay for a 50 per cent reduction on the tax on profits to American multinationals operating in this country, on dividends. The Canadian people will pay for the 33.33 per cent tax decrease on interest that travels over the border into the United States. The Canadian people will pay for the elimination of royalties on practically everything, down to trademarks, which have been bifurcated. It will be divided. They will be examined each part separately.

Let me give the House some idea of how much this will cost the federal treasury.

• (1210)

The person in charge, the chief of corporate and international tax in the Department of Finance, testified before the Senate committee. He was asked: "Why do you need to have a 5 per cent tax? Under this bill we are reducing it by 50 per cent. Why not reduce it by 100 per cent on the withholding tax? Why not give the American corporations their entire profit tax free?" The person in charge of corporate taxes in Canada stated: "The principal reason is money. I have not looked recently, but I believe that our annual withholding tax take is approximately $1.5 billion. Certainly it would be difficult to sustain completely walking away from that".

What are we doing? We are cutting by 50 per cent the withholding tax on dividends from American corporations operating in Canada and sending their profits back across the border to the United States. What does that do to a Canadian business that is trying to compete? It is fine to give Wal–Mart a 50 per cent tax break, but what about the Canadian company that is competing against the American company?

It is interesting to look at the flow. I have the evidence given before the committee on foreign relations in the United States Senate. It is the Jesse Helms committee. It talked about the treaty with Canada. It did not like it last year. After the Minister of Finance signed it in Washington the American Senate changed it. The Minister of Finance had to return in March of this year to re–sign the amended protocol.

I will read a couple of things into the record. Here is the Secretary of the Treasury for tax policy for the Government of the United States: "The protocol reduces the rate of withholding on cross–border flows of interest from 15 per cent to 10 per cent. This reduction will provide a substantial benefit to many U.S. recipients of Canadian source interest payments. It will have a lesser effect on U.S. outflows of interest to Canada because much of this flow is already exempt from U.S. tax under the portfolio interest provisions of the code". In other words, we are giving the Americans a 33.3 per cent tax cut when Canadians will not benefit from that interest provision because the Secretary of the Treasury in the United States says that it is already exempt under the code.

The other provision is on royalties. Here is the assistant treasurer for tax policy, the Hon. Cynthia Beerbower: "Being freed of tax on royalties is cash in hand. Now we pay royalties to Canada. With a zero rate in effect in this protocol, I cannot imagine that anyone would sit on this".

Then we go to the big one, the $1.5 billion the treasury is getting today in this Senate bill, which is supported by the Reform Party and by the Bloc.

The vice–president of tax policy, Robert Green, for the National Foreign Trade Council Inc., 1914, which represents 500 American multinationals doing business in Canada, said in his evidence: "The investment flow between the two countries is substantial and favours the United States. We have substantially more investment there than they do here. The dividend withholding rate reductions, which are phased into five per cent over three years, are a tremendous benefit to the United States, to U.S. multinational companies doing business there. Because of the reduced withholding rates the amount of net repatriated earnings to the United States for investment will be substantially increased".

Then he goes on to talk about the reductions in the withholding rates on royalties: "The additional amount of repatriated earnings will substantially benefit the United States".

Let there be no guessing about this. The United States business community says it will take that from Canada and repatriate it right back to the United States of America.

• (1215)

It is funny, Mr. Speaker, you stand here in the House and hear some Liberal backbenchers objecting to this, and you have the Reform Party and the Bloc in total agreement. How did it start? In 1988 the U.S. made a tax change. It was a change to the estate tax rules for foreigners. It stated that any foreigner with property in the United States would have to pay estate tax on everything above $60,000, not $600,000. That was in 1988.

The record shows that the Canadian government in 1988 took a week to respond. It sent people down to Washington. It said:

"We want to relieve Canadians of this tax that is being imposed on them in the United States". That is where it started.

The United States said: "In order for us to give you a break for wealthy Canadians, you will have to give us something in return". It went back and forth. The negotiations started in 1988. It has gone on since then. It has gone on to include huge tax expenditures that nobody has an estimate on. Revenue Canada and the Department of Finance say they do not know—

Mr. Silye: Mr. Speaker, a point of order. We have now been listening to the hon. member for the last 10 minutes and so far I do not see the relevance to the two motions he has before him. We gave him 20 minutes to speak on them. I do not see where there is a tie–in to either one of the motions and why he represents and recommends these motions be adopted.

The Deputy Speaker: I am sure the hon. member will bring it around to those motions very quickly.

Mr. Baker: Mr. Speaker, this is what I was building up to. Under our laws in the Chamber we are not allowed to amend a tax treaty. It states that clearly in our standing orders. We can amend the legislation that brings in the tax treaty. However in introducing an amendment to that legislation we cannot negate the principle of a clause in the tax treaty.

Just imagine the power of the U.S. committees. They actual change treaties. The Minister of Finance had to go back to Washington twice. He signed one, they changed it and he had to go back again.

According to our standing orders our House of Commons is not allowed to change anything in a treaty. The amendments I put forward are amendments that do not negate a clause. The first amendment is that all of these huge tax decreases to American multinationals operating in Canada come to an end in the year 2000. That is amendment number one. We cannot afford giveaways any more.

We are cutting public servants. We have got to. We are cutting back on UI. We are cutting back on this and cutting back on that and at the same time we are introducing this whole new set of tax expenditures, gifts.

That leads me to the second amendment, the gift part. Motion No. 2 relates to the dating back of the tax credit on the estate tax to people who had died since November 10, 1988. Do you get the significance of the date, Mr. Speaker? Perhaps somebody of great wealth did die on November 11, 1988, I do not know. The very date is the date the protocol came into effect in the United States that decreased the maximum from $600,000 to $60,000.

Under this bill there are estates today in Canada verified by Revenue Canada to me and to the committee that are just waiting to put in their bill. Now the Canadian government has to pay for the amount of estate tax that they pay in the United States that was taxed as U.S. source revenue.

• (1220)

The Canadian people have to cough up the money now out of the treasury. I am told that one chap who died had $20 million in the United States. He really got hit with the estate tax, almost $8 million of it had to be paid to the U.S. treasury. He has a nice rebate coming to him from the U.S. government but he has a much bigger rebate coming to him from the Government of Canada. Only $12 million went to the family. Now the people concerned who received the benefits from the estate will be able to bill the Canadian government for an additional $5 million or $6 million in that one year.

The second amendment, seconded by the hon. member for Broadview—Greenwood, is that since the Canadian delegation and the U.S. delegation said this is reciprocity, this is to eliminate double taxation, that if there is not double taxation then there will be no money granted. That does not negate the clause at all. It just says if no taxes were paid no rebate will be given as far as the Canadian government is concerned.

The auditor general in 1985 said the Canadian Parliament reminded him of a group of automobile engineers trying to build an automobile that was more efficient, that burned less gas but had the same energy. He said that Parliament is like that because we are trying to find ways of cutting while still maintaining our services to the Canadian people. He said the problem is this.

When the engineers changed the engine of the automobile from eight cylinders to six cylinders to four cylinders and brought in all those modifications to save energy, at the end of the day they discovered they were burning just as much gas as they were before. They did not know what the problem was until they looked under the car and saw all these little holes in the gas tank. Those, the auditor general said, are the tax expenditures of the Government of Canada.

The government cuts and slices and chucks. It lays people off who have children going to school and to university who do not know where their next dollar is going to come from. It changes the system of unemployment insurance. When a primary producer working in this country has as a part of his income unemployment insurance, it says: "Oh no, we are going to take that away because that was not intended for that". That person is worried to death today.

While we do all that, we turn around and take a Senate bill that will give enormous returns to very wealthy people, very rich people, and we say to the multinationals we are going to cut your taxes by 50 per cent.

We are not going to do anything for the very poor. We are not going to do anything for Canadian corporations operating in Canada. That is why I think, after looking at the bills we are

discussing, what is really happening in real terms of tax expenditure is that we take from the poor and give to the rich.

It is Robin Hood in reverse. He is now working for the great companies that represent those very multinationals in the United States that are working so well in this country, a country that according to the World Bank is the second wealthiest country in the world because we have resources.

The House of Commons today, with the Bloc and the Reform Party supporting this legislation wholeheartedly, is not working. The Canadian people are saying that we need a change in the rules of procedure or we need to get rid of the two opposition parties.

• (1225)

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, I found the Liberal member's grandstanding amusing. His closing reasoning was obviously somewhat illogical. He was more critical of the opposition parties than of the government. I would gently remind him that, if he does not agree, he need only settle his differences with his own colleagues. This bill comes from the government, which is made up of people from his own party. So they will have to talk among themselves and try to reach an agreement. It was even a bit sad to see them in such disagreement this morning. However, I agree with my colleague on some points; on others, I do not, but I will get to that.

Obviously, we share his concern for society's disadvantaged. We agree on this, and I hope, when the time comes to adopt the unemployment insurance reform and similar things, he will again rise, as he did today. It seems to me that only one member was opposed last time. I am not sure I heard him. I am not sure he was present. Next time, we will watch to see where he stands in the upcoming debate on cuts to the transfer payments, in particular, and on social programs. We will see where he stands and whether his concern is real or whether he is just giving a political performance here, once in awhile, to please his constituents and ensure his re-election.

I want to point out that we have have to consider both the substance and the form of this bill. We agree with what the auditor general said about tax conventions, which is that there is going to have to be a code of conduct for signing such conventions with other countries. There can be major differences in taxation levels between Canada and the other country signing the convention. In such cases, there is clearly a problem, and we must ensure that we are not threatening economic transactions and running the risk of losing revenues here in signing such agreements.

Before us we have a tax convention with the United States. Obviously, a person can oppose it if they like, but they have to say so directly. They cannot, in our view anyway, oppose something that aims to maximize economic exchange between Canada and the United States.

For a long time it was believed that our markets in Canada were east-west and now increasingly we see that they are north-south. There is a great deal of potential for development there. I can understand that there are still some pockets of resistance among those who are opposed to free trade and everything that goes with it, but we must think of where we are headed in the next century. And this is where we are headed. Consistency and logic is required. When one agrees to get involved in something like free trade, one has to live with what that implies. One has to live with reciprocity as well. Now, I want to get on to the content of these amendments, which strike me as suffering either from bad drafting, technically speaking, or from a fundamental problem.

Of course, there is the first amendment. I have heard what the Liberal member has had to say, waxing so eloquent in his attack on the tax rate cut from 10 per cent down to 5 per cent. Yet his amendment is aimed at ensuring that this will not apply after the year 2000. Why before that date? Why not after that date? Why 2000? Why not 2001? Why not 2002? It is very hard to grasp the reasoning behind his first amendment and I have not found anyone able to explain the real meaning and scope of his first amendment to me.

Obviously, one cannot agree with something that is poorly written. You have to be for something or against it. You cannot be against something for a few years and then in favour of it after that. There comes a time for logic.

The second amendment reminds me of those who are in favour of free trade but only one way free trade, with others opening up their borders to us, but our borders being closed to them. But this is in the area of taxation. We are told that we must not allow this retroactive refund, as one might call it, not allow it if there has been income taxable in Canada during that period. There is another side to that coin also. What reasoning applies to the reverse situation, American residents whose assets were in Canada or Quebec?

But the amendment does not address the opposite situation. Accepting the second amendment means asking the Americans to follow suit and to reopen the tax convention. This is, I suppose, what they had in mind, because consistency is required with what is proposed. I shall be surprised if they do so, because these are the same people who tell us sovereignists in the speeches they make here: "It will be just dreadful if you vote yes. Perhaps NAFTA would have to be reopened". Yet they want to reopen tax conventions. And they spoke of their desire to reopen NAFTA during the election campaign.

• (1230)

I sense a strong desire on their part to reopen the whole discussion about relations between Canada and the United States. Of course, that is their right, but I do not think this desire is shared by the majority of the House or by the majority of the public.

Of course we are concerned about the most vulnerable in our society. And as far as the future of our social programs is concerned, I think we can all agree that some serious debate is in order regarding the approach suggested by this government.

However, we must not exaggerate, and the figures quoted by the hon. member to indicate the economic impact of these amendments or these motions are clearly exaggerated. There was a reference to hundreds of millions of dollars. I read what happened in committee, I followed the proceedings, and no one could extrapolate the same figures as the hon. member and say that hundreds of millions of dollars were involved in this particular case.

It is easy to quote figures out of the blue, but you have to support those figures, justify them and provide documentation. We cannot afford to keep throwing figures at the public and say: Yes, that is the way it is, without further ado. We have to be more serious, more credible than that.

And that is why we cannot support these amendments, and this applies both to Motion No. 1 and Motion No. 2. Motion No. 1 is poorly drafted, complicated and not consistent with what the hon. member said, in my opinion. The second amendment makes no provision for compensation or reciprocity. After all, this is a two–way street. When we sign tax treaties, there must be reciprocity. We cannot get away from that. However, there is nothing in the second motion that refers to this.

If they want to renegotiate the whole tax treaty, that is their problem. What we would prefer and what we always suggested is to go along with what was said by the auditor general. We now have a certain number of tax treaties that cause problems because of the differences in tax rates. In such cases we will need certain guidelines for adopting tax treaties, because this is going to escalate in the next few years, considering current economic trends.

So we will have to give much stricter guidelines when we send people to sign this kind of tax treaty, to avoid being faced with a situation that will be difficult to change subsequently.

In concluding, and I do not intend to speak at greater length on this matter, we agree with the tax convention. I must admit, however, that the retroactive aspect bothers us too. It bothers us that compensation is given retroactively.

That being said, these two amendments will not correct that, neither the first nor the second motion—they will not correct that because, as I said earlier, the amendments make no provision for compensation or reciprocity. When the time comes to vote on the tax convention on third reading, we will have to evaluate Bill S–9 as such. On the whole, we think it is important to pursue this approach.

I repeat, the retroactive aspect bothers us. But in any case, what the hon. member suggested does nothing to correct this particular aspect. We will vote against both amendments and we will vote in favour of Bill S–9 on third reading. I am sure the hon. member will listen to his colleague, the parliamentary secretary, who will explain what amounts are involved with this bill and tell him they are nowhere near what he suggested.

I find it amusing to hear him attack the Bloc Quebecois in this debate. He should be more concerned about ensuring that his party, the government party, has certain guidelines for adopting tax conventions. He should get that message across to his supporters and perhaps even to the government, and then we will get somewhere. We cannot backtrack and change things that have been signed and that arise from the whole North American free trade context. Any action that is taken should be logical and consistent, and that is why the Bloc Quebecois will support this bill and will reject, as the government and also the Reform Party have done on many occasions, the two motions proposed by the hon. member.

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, it gives me pleasure to speak on the amendments being presented by the member for Gander—Grand Falls. I would like to make a few comments on the specifics of the amendments. These questions were addressed not only in the Senate but also in the House of Commons finance committee by witnesses who appeared from the department, including myself, to go through each of these points.

• (1235)

For people trying to follow the logic of the bill, the protocol was required as a result of changes in American tax law in 1988. Once those were put into place it became incumbent upon the Canadian government to revise the tax arrangements between the two countries.

The member for Gander—Grand Falls was quite keen to point out there were witnesses in the American Senate and the House of Representatives who found this bill to be very helpful. It does not surprise me that a bill should come out to be win–win and that there should be supporters in the United States who think this is of benefit to them. That is why the country adopted it. Also on the public record, our department has been very strong and this is also of benefit to Canadians.

It does not only help the wealthy Canadians who certainly are helped by this, but it also helps a number of ordinary Canadians who have second properties in the United States under relatively moderate circumstances. It also helps a number of corporations operating in the United States.

The United States is the largest trading partner we have, not only in the corporate sense but in the personal sense. It is the largest travelling relationship we have. It is the largest second investment for a lot of families. We have to be very careful not to develop a tax regime in isolation while totally not thinking of what happens to people in other regimes. What happens to many Canadians in the United States is a major tax consideration. It is incumbent upon this government to make sure those conditions are matched and that we do the best for Canadians.

As with any treaty and protocol, there are conditions that are more satisfactory to the opposite side. Either we do things to accommodate them or we have no agreement. To think that none of the American interests were reached in this protocol would be a silly assumption. It would also be equally silly to think that none of the objectives of the Canadian government were reached in this bill.

Dealing with the first motion, the 5 per cent withholding rate on direct dividends has been adopted by many of our major trading partners. Zero withholding is the standard among EEC countries. We are perfectly within our legal rights to insist upon higher rates as is suggested in the amendment, but we must recognize in doing so that our ability to attract additional investment and to retain existing investment would weaken with adverse revenue effects.

If we are concerned about the cash flow of the federal government, we must be cognizant of what we do in tax policy which aggravates taxpayers and causes them to engage in tax avoidance. Canadian firms attempting to enter or expand in foreign markets would be at a competitive disadvantage.

A temporary reduction in the withholding tax rate, as proposed in this amendment by the member for Gander—Grand Falls, would be the least favourable option. First, it would allow corporations to withdraw past earnings from Canadian operations at the reduced rate. The guarantee of higher future rates would create a positive incentive to do so. Second, it would eliminate the value of the rate reduction encouraging U.S. corporations to make any long term investments in their Canadian operations. In other words, it would be better not to go to 5 per cent at all rather than apply the reduced rate for only a few years.

On the first motion and concerning a point already made by the mover, any change to the protocol will necessarily endanger if not scuttle it inasmuch as it represents an agreement between two parties that can only be changed with the agreement of both parties. If we make changes on our side we have to understand that part of our obligation is to allow parties on the other side who may be dissatisfied with one part or another to make additional changes they would like. We cannot pick and choose among the pieces.

The second motion presented by the member is also opposed by the government. By way of background, most of the benefits of the article dealing with taxes on debt are required to be provided by the United States. Specifically, the U.S. must grant to Canadian residents an estate tax exemption based on the same $600,000 exemption that U.S. citizens receive, rather than the $60,000 exemption currently provided. The U.S. must credit capital gains tax paid by U.S. citizens on properties situated in Canada against the U.S. tax payable by those citizens in respect of that Canadian property.

The only real obligation imposed on Canada by this article is to provide a reciprocal credit for its own residence. That is, Canadians who die owning U.S. property will be entitled to credit any U.S. estate tax owing on that property against their Canadian income tax payable on U.S. properties and income from U.S. sources.

• (1240)

Accordingly, if there is no Canadian tax payable at the outset, there does not seem to be any sort of benefit that Canada would be required to provide under this article. If that reasoning holds, and I do allow for the possibility that what the motion literally provides may not be what the member was looking to accomplish, then the motion makes no substantive change and should be voted down on that basis. If on the other hand members believe the motion does have substantive effect, I would refer to the argument set out in the third point concerning this first motion.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I would like to address the amendments put forward by the member for Gander—Grand Falls. Before I comment on them, he took a heck of a long time during his 20–minute oration to point out in a very partisan and grandstanding fashion how the Reform Party and the Bloc Quebecois support this bill. However, he conveniently ignored the fact that his very own government supports this bill. In every comment the member made about the opposition parties supporting this bill, he conveniently and purposely left out mentioning that his government is in favour of this bill.

I respect the member's right to disagree with his own party. We believe in that on this side of the House. We believe it is an advantage to allow members of a party to speak out on the negatives of a bill, especially if members so passionately feel there is something wrong with it. However, to carry the game to the degree the hon. member has in terms of giving the general impression that his party was not a part of it disappoints me. I respect the hon. member, but I must put on the record that in this

case the way he presented his comments is taking political partisanship one dramatic step too far.

Let us get to the crux of the matter which are two amendments to the bill. I agree with the member for Témiscamingue. He is right. These two amendments are poorly written and poorly thought out. They have been served up to circumvent the bill itself so that this gentleman could have one more opportunity, one more platform to give his speech and to hear himself talk.

What the member accomplished in the process was to show us the typical Liberal attitude that where there are tax breaks available for Canadians, where there are advantages for Canadian citizens in the form of reduced taxes or where it eliminates double taxation to help solve a problem in our tax system, the Liberal government is against it. The Liberal government and this member are against it.

The hon. member wants to generate as much revenue for the government as possible on the backs of what he calls the so–called rich. The mythology that the rich somehow or other get a disproportionate share of the advantages and benefits of infrastructure is crap. That kind of philosophy and attitude has to stop, which is why Liberalism is slowly coming to an end as well.

For the member to give a speech one way and to ignore the benefits of the bill, never once addressing the advantages and the good aspects of the bill, is terribly one sided. It is the Liberal way of arguing. I believe the only way government members can defend themselves is by presenting a biased and prejudicial point of view without looking at it from both sides.

The reality and the weaknesses of these two amendments to Bill S–9 are that by trying to strike the bill down, the member is not accepting the realities of today's economic climate. The global economy requires that everybody, as closely and as much as possible, deals under the same rules and rates of taxation so that there is no unfair competition and the flow of capital is not more advantageous in one country or another. If Canada does not keep in step with globalization and with the same rates of taxation by convention with all other countries, we are at a great and serious disadvantage.

• (1245)

In light of the personal crusade of the member for Gander—Grand Falls to strike down Bill S–9 on technical grounds, that it did not originate in the House, he is ignoring the wonderful advantages and benefits of the bill.

I was being taunted by the other side to say what those advantages were. It offers relief for Canadian residents from the application of U.S. estate taxes. It has tremendous advantages for all people in eastern Canada who have residences in Florida. If they happened to sell them they would have to pay estate taxes on anything over $60,000. It raises the limit to $600,000. Is that not an advantage to Canadian residents?

Yet when we listened to this member's speech he made it sound like it is a tax expenditure we are giving up that will cost Canadian taxpayers. It is not costing Canadian taxpayers. It is costing U.S. taxpayers. That is the other side of the story the member failed to point out.

That is what I mean by balanced and representative argument and presentation when we are discussing bills. We will be discussing complete fundamental tax reform in the country very shortly. It is a burning issue; it is an issue that will come up. It includes issues like taxation and rates across borders nation to nation. We will have debate on various forms of flat tax. The member for Broadview—Greenwood has a proposal for a flat tax that his party members conveniently choose to ignore, which is typically Liberal. It offers a wonderful solution to our complicated system but they ignore the member. I do not know why but they do.

When the debate takes place we will have people speaking for it and against it. No tax reform and no taxation system, no matter how much it is simplified, has all the answers and has all the solutions. It requires debate; it requires looking at both sides of the story. That is what I would like to see happen when we discuss taxation bills especially and bills that affect our pocketbooks as this bill does.

As critic of this topic and this bill on behalf of our party I will be making a recommendation to our caucus. We on this side of the House have the right to accept my recommendation or not. We will see what happens on that side of the House when the amendments are voted on. I will recommend to our party that we oppose the two amendments because they are strictly for grandstanding purpose. They are very poorly written. They are extremely hard to understand except for Motion No. 1 which I can understand.

As the Bloc member said, how can they be for it for a few years and then against it after? As the Parliamentary Secretary to the Minister of Finance pointed out very well, the member probably does not understand the implications of his motion. As soon as I heard that, it verified the fact even the Liberal government felt it was very poorly written.

Therefore on those two grounds I will be recommending that we oppose them. However, when it comes to Bill S–9 itself, I will be recommending to our party that we support the bill. That is where my comments end on the matter.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, it is my responsibility to speak on these amendments because for seven years in the House I have been trying to generate debate on behalf of my constituents

and others across Canada who believe the current tax system is not fair, not efficient and complex.

For years we have been amending the tax act of Canada. We have made amendments to amendments that have generated a complexity. Most tax lawyers and most tax accountants when speaking privately say that the current tax act is an unmitigated disaster.

• (1250)

After the last election when the Reform Party came to the House I was hopeful we could generate real solid debate on comprehensive tax reform. Granted it takes a couple of years to get our feet wet in this place. Most Reform Party members would admit that governance of a country like ours is complex. We cannot come here on day one and expect our ideas to be totally understood. There are all kinds of variables and difficulties that make implementing legislation difficult in comparison with the view we had in the private sector. I have certainly learned the hard way that it is difficult. I respect the fact that the Reform Party took a couple of years before it began the debate on total tax reform.

I will support my government on the bill. I would never vote against a money bill because it is a confidence bill. The hon. member for Gander—Grand Falls and I are not saying that we want an election over the bill. However we are trying to illustrate what I have been saying in the House for seven years. The bill is another example of how amendments to amendments of the tax act can be brought forward.

I do not mean to be disrespectful but probably 85 per cent to 90 per cent of the members of the House do not know the full ramifications of the bill. We expect the opposition to challenge bills like this one. If I were in opposition right now, quite frankly as I forced debate on the bill, I probably would have put a lot more heat on the government and asked when we would move the debate forward on total tax reform. But no, they wanted to let it go through.

The difficulty I have with the bill is that we are giving tax reform. We are harmonizing with the United States. The bill harmonizes Canada with certain aspects of U.S. tax law. The one great feature about the bill is that when the United States of America wants to amend its tax act we move quickly to be in harmony with it.

We can reflect on the ongoing debate in the United States in terms of single tax, flat tax and all the various democrats, republicans and independents who are talking about total tax reform. If it gets to the front burner of their agenda hopefully Canada will not be far behind. Obviously we will move in a micro second. Part of the reason we are moving in the bill is that the Americans want it to be done quickly.

One positive feature is that we move quickly to harmonize, but the difficulty is that it only gives tax reform to the elite in Canada. I have immense respect for my colleague from Winnipeg, the Parliamentary Secretary to the Minister of Finance, and I will support him in the bill. However I would not call people who have residences in Florida ordinary Canadians. They are wealthy. I consider someone who has $600,000 worth of property in Florida or in some other place in the United States to be fairly wealthy.

I also have great concerns about article XI. Essentially once the bill is passed, and it will be passed, it will affect Canadians who want to send their children to an ivy league school such as Harvard, Yale, Cornell or Rice. I have nothing against ivy league schools in the United States. I am proud of Canadian universities but I would have liked to have gone to UCLA or one of those big ivy league universities. It costs $25,000 or $30,000 a year for four or five years. Under the bill Canadians who can afford to send their children to the ivy league schools will get a tax credit. I have great difficulty when essentially the bill will create a market for wealthy Canadians.

• (1255)

If I were the president of Notre Dame or one of those places I would take out an ad in all Canadian universities. I would go to Upper Canada College in my community in Toronto, go to Bishop Strachan or take out a flyer telling parents about the tax credit they would get for all the money they spend sending their son or daughter there.

We listened to the member for Yukon last night give her closing remarks. I have had immense respect for the member for Yukon since I came here seven years ago. She said that we were here for people who cannot always speak for themselves. It is obvious the people who can afford to speak for themselves certainly have the ability to get the bill through the agenda in the first two years of our mandate. Quite frankly it is a question of priorities, but in this bill we are forgetting a bit of our Liberal tradition.

Mr. Morrison: So stand up and be counted.

Mr. Silye: You are voting for it.

Mr. Mills (Broadview—Greenwood): I will not vote against the government on a bill that could bring the government down.

Mr. Silye: It won't bring it down.

Mr. Mills (Broadview—Greenwood): Yes, it will. It is a principle. It is a money bill and on anything to do with confidence in the government I would resign from the party. That is what the opposition does not understand.

I suspect, and this is not partisan, members of Her Majesty's Loyal Opposition are feeling a bit guilty as part of their responsibility is to challenge us from time to time and they were totally asleep at the switch and could not generate a debate in the House on a bill which essentially in my judgment caters to the elite.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I am very happy today to rise in support of the motions of the member for Gander—Grand Falls. I have always been impressed by him. He is one of those rare individuals who inevitably speaks his mind. He does his homework, analyses legislation and makes up his own mind about whether it is good or bad. For some members that seems to be a rare piece of behaviour.

What is the bill all about? What are the motions all about? I have to go back to Kamloops at the end of this week. Whenever I do that I go to Main Street and have coffee with a few of the folks who ask what has been going on in Ottawa. What has the government been up to? What legislation is before the House? What is the government dealing with? What are the priorities of Parliament and so on and so forth? Part of my responsibility is to reflect as accurately as I can what the priority is. They will be perplexed when I tell them about all the challenges that confront us as a great nation.

• (1300)

Here we are almost on the eve of a major referendum about the future of the country and there are horrendous economic, social, cultural and environmental problems confronting us from coast to coast. I have to tell my constituents the government's priority at this time is to bring forth a piece of legislation that will benefit only the very wealthiest families in the country in terms of their tax returns.

The other day a major report in newspapers across Canada indicated that 75 per cent of Canadians willfully carry out their business transactions in cash to avoid paying income tax or sales tax or whatever. In other words, 75 per cent of Canadians are participating knowingly and up front in the underground economy. Are they doing that because they are tax cheats and because they participate in illegal and unethical activities? No. They have lost faith in the integrity of the tax system of the country. They see all kinds of people who do not pay their fair share.

There are small business investors and small business entrepreneurs who are struggling and who see all kinds of tax breaks going to large corporations but none to them. They are working 60 and 70 hours a week and are struggling to get by, and they see tax breaks going to certain firms, not to small firms, and to certain Canadians but not to the ordinary Canadian.

What does this tax provision do? Let anybody in the House stand up and argue after I sit down, but this is designed for the wealthiest families in the country.

I wish my friend for Broadview—Greenwood were going to vote differently, but at least he is speaking up for what he believes in, which is more than most people in the House are doing on this occasion. Why are Canadian taxpayers being now asked to subsidize those families that want to educate their sons and daughters and family members in the United States? That is what this does. That is what the member for Gander—Grand Falls is saying. That is what the provision is.

Those people who are sending their sons, daughters and other family members to American universities will not even have to be on the short list any more. For any college or any university in the United States, tax credits are available for any donations made to the foreign university or college.

Why should struggling Canadian taxpayers and small business operators in the country be subsidizing American colleges and universities? Why should hard working men and women be subsidizing American colleges and universities? It does not even matter what their credentials are. They could be colleges that simply hand out PhDs or masters degrees for the price of a few dollars. Any American college or university is eligible to receive donations from Canadians and they will receive a tax credit for that.

How can my friends in the Reform Party support this kind of provision, which is so unbalanced in terms of fairness? This will cost us money. It will cost the taxpayers of Canada hundreds of millions of dollars every year from now on. If we were a wealthy nation and had all kinds of extra coinage, perhaps we could consider this. I ask my friends in the Reform Party, who remind us regularly about their concern for the deficit and debt of the country, why they are supporting a piece of legislation that will drain hundreds of millions of dollars out of the treasury every single year.

I have been listening carefully to the debate. I could not listen too carefully when the bill was in the Senate because it went so quickly. Quite frankly, it is going awfully fast in the House. It is a tax provision, tax reform for the wealthiest people in the country, for the elite of Canada. Is this our priority? Yes, it is. Is comprehensive tax reform taking place at this time? No, it is not. Is it called for by every single Canadian man, woman, and child in the country? Yes, it is. What are we doing? What is the government doing? The government brings forward a piece of tax reform via the Senate that will harmonize certain corporate tax structures with the United States and bring in provisions that are absolutely astounding.

I would like to hear from my friends opposite before the debate ends why we are subsidizing American colleges. Why are Canadian taxpayers subsidizing American universities? Why do we consider it a priority at this time to give tax breaks of hundreds of millions of dollars to the wealthiest families in Canada?

• (1305)

My friend from Broadview—Greenwood, an individual for whom I have much respect, asks whether it is really a priority at this time to be passing tax legislation that will benefit people who have investments in the United States in excess of

$600,000. I suppose we could feel sorry for these folks. If you have investments over $600,000, the tax system could be more to your advantage. How many Canadians do we know with investments in the United States in excess of $600,000? A lot of people might have a cottage, an apartment in Florida or in California or someplace. How many people are worried today in terms of their financial realities who own $600,000 worth of real estate in the United States or have $600,000 worth of investments in the United States?

I say to my friends opposite in the Liberal Party, is this your priority? Are these the Canadians you want to go to bat for today? What about the people at the food banks who are lining up this afternoon? What about the single parents who are struggling simply to make ends meet? What about the small business operators in this country struggling daily to simply put food on the table for their families? Why are you not bringing in legislation for them?

I am referring to the second amendment which tries to bring at least a shred of credibility to this debate. As my hon. friend from Newfoundland has indicated, it is not perfect; it is sort of half a loaf because it says we are to limit this tax break to the year 2000. I see this as a bit odd, but I think it is at least going to end this tax buffoonery that is going to benefit a handful of very wealthy Canadians, at least to the year 2000.

When I go back to Kamloops later this week and I have to explain to the people on Main Street in Kamloops, struggling business people, people who are struggling simply to put food on the table and unfortunately an increasing number who find themselves out of work, jobless, that this somehow is a priority of this Parliament and this government, they will shake their heads in disbelief and say that this place has lost touch with reality, that this place somehow deals in some Walt Disney version of the real world.

I look forward to hearing other participants in the debate explain why on earth this is a priority.

I say in conclusion to my hon. friend from Gander—Grand Falls, thank you for standing up and putting forward two amendments today that will bring at least some sanity to this legislation and indicate on your behalf and a handful of your colleagues your disgust with this legislation as well.

The Deputy Speaker: I would ask members again to please put their remarks to the Chair. The Chair gets lonely and feels not a part of the debate and so on.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I want to take a few moments and clarify what I believe to be some misconceptions or possibly attempts by particularly the person who just spoke to put things that are not in the bill before Canadians. I feel that is extremely unfair.

What we are talking about here is a bill whose purpose is to put into place a protocol to amend the 1980 income tax treaty between Canada and the United States that was signed on March 17, 1995. The purpose of this is to put these measures into force. It has nothing to do with the member for Kamloops' statement of us wanting to give rich people more money or some such nonsense.

One of the provisions of this bill will be, for instance, the elimination of withholdings that are there now. For instance, some people have estates in the United States. The example was given of a Florida winter home. I have a case a constituent brought to my attention of a mobile home in Florida owned by senior citizens and one of them died. I would not exactly call those rich people. Rich people do not own $10,000 mobile homes when they are 70 years old.

• (1310)

I know the amounts. I know very well the amounts that are in the bill. The limits that are there now in terms of estates would barely cover a mobile home, its furniture, and a car.

An hon. member: That is not true.

Mr. Boudria: The member across says that is not true. That could be his opinion. I am looking forward to his speech, which he seems to be wanting to make simultaneously with other hon. members. Perhaps he is in a hurry and cannot wait the extra 10 minutes to speak. Perhaps then he had nothing substantial to say to start with. Either way, we will find out in 10 minutes what the hon. member wants to say.

The point I am making here is that we are trying to amend the tax treaty between two countries. Under the terms of this treaty, gifts by Canadians to American colleges and universities will qualify for charitable donation tax credits, as has been said. However, half of the sentence was not said. That is the fact that gifts made by Americans to Canadian post-secondary education institutions will also qualify as charitable donations for the purpose of computing the donor's U.S. tax liability. In other words, it will permit people to donate money to a university—which we all recognize, I would hope, as being something legitimate and worth doing. It will enable us to continue doing that, and for a Canadian to donate to a U.S. institution should there be such people, and I am sure there are. Given that the U.S. population is at least 10 times the size of ours, I would say there is at least a fair chance that the reverse will also be true.

That was not said by the hon. member for Kamloops. Why? Because the member for Kamloops did not feel it injected part of the partisan debate he was trying to portray in the House. We should remember what the bill does. Perhaps we should go beyond the rhetoric of the hon. member for Kamloops.

I ask the hon. member from the New Democratic Party, who a minute ago could not wait for 10 minutes to make his contribution, to speak to us about that and to admit to this House that in fact Americans will be able to donate to Canadian universities. Inject that into the debate so that all of us can understand. Maybe he can tell us if he is against that, particularly at a time when we are seeking assistance for our post-secondary education institutions.

I believe these tax protocols are for the benefit of residents of both countries. The protocol has to be ratified by both countries before it takes effect. Some people have withholdings right now that have been there for years, and they cannot get their money back because this ratification process is not yet complete.

Let us get on with it and pass this bill. Let these people have their funds and allow for the kind of investment that I brought to the attention of the House a moment ago.

Let us look at other changes that are included in this treaty: bilateral reduction of withholding taxes on dividends, interest, royalties, reflecting the rates now accepted in force between most industrialized countries—is that so terrible; complete withholding tax exemptions for payment for the use of technology—I hope we are not against that; relief for Canadian residents from the application of U.S. estate taxes—that is the issue I raised earlier; and expansion of the exemption from U.S. tax for income earned by RRSPs, RRIFs, and Canadian pension plan—are we against that too? I would hope not. That is in the bill. Should we not be supporting that? I suspect we should.

The bill also provides for authority to impose withholding on CPP and OAS payments made to American residents. Is the NDP against that too? I am still awaiting the speech from the hon. member across the way, the speech he could not wait to give us 10 minutes ago.

• (1315)

In addition, the bill provides for mutual assistance in the collection of taxes owed. Are we not in favour of collecting taxes that have not been paid? That is part of the protocol as well. That is what we are trying to do today. Are the NDP members against that too? Presumably they are, otherwise they would be supporting this bill. I cannot wait to see how they vote on the final outcome. I cannot wait for the third reading debate.

Finally, the bill provides for authority to enter into arbitration to resolve disputes where the two countries' revenue authorities cannot agree. In other words, there is even a mechanism in here for dispute resolution in the whole process. In my book that makes this a good bill, notwithstanding the rhetoric. It makes it a bill that we should be supporting and passing. I cannot wait to see what the NDP will do particularly after the remarks of the hon. member for Kamloops.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I rise in opposition to Bill S-9 and in support of the amendments put forward by the hon. member opposite, the member for Gander—Grand Falls.

Since 1988 the Americans have required all non-residents to pay a 55 per cent estate tax on all U.S. property worth more than $60,000. However, the agreement before our House which is not yet ratified means that Canadians with less than $600,000 in U.S. assets will now be exempt from American estate taxes. That also means that Canadians with more than $600,000 in assets will pay the American tax and then will be allowed to claim a portion of it in foreign tax credits here in Canada. This means a $600,000 U.S. exemption which is a $900,000 Canadian exemption in real dollars. This is a tax bill which is helping the very rich.

I want to say a couple of things about this bill. Members of the Liberal Party opposite, including the member for Glengarry—Prescott—Russell, talk about how important this bill is to education. It is very peculiar that medicare, the health care system and the education system in Canada are being squeezed by these very Liberals through the drastic cuts in this time bomb budget which is before our country now.

We are hurting the education system in Canada as a result of it, yet we are going to give the very wealthy an opportunity to make contributions to the education system in the United States and we are going to subsidize it through our tax dollars. My colleague, the member for Kamloops, clearly delineated and outlined the outrage of Canadians with respect to the approach of this government cutting back on education in Canada but providing an opportunity for wealthy Canadians to get tax credits for making contributions to the American education system.

Now we see whose interests this government is working on behalf of in this House of Commons. It is not for ordinary Canadians, not for unemployed Canadians who require unemployment insurance or who require some assistance with respect to health care and education. They are not the interests of the Liberal federal government. The interests are those who feed the Liberal government, those who make substantial financial contributions to the Liberal Party. The very wealthy in this country, the large corporations, the wealthy families are getting their interests high on the agenda of the House of Commons because they own the Liberal Party, they contribute millions of dollars to it every year.

As a result, their agenda is what is on the agenda of Canada. Their agenda is to accumulate more wealth. That is the agenda of the wealthy, the individuals, families and corporations in this country who bought and paid for the Liberal Party. This is a bill the Liberal Party is putting forward in the House of Commons which will thank them in spades for their generosity over the last

couple of years. The Canadian population is going to be paying for this generosity by the Liberal Party to their wealthy friends.

Bill S–9 is an absolute disgrace for the Liberal Party. The Liberals should be embarrassed out of their shorts with respect to this bill. I hope they are feeling as bad as some of the members opposite look like they are feeling because this bill is a wrong priority for Canada. It is a wrong priority for the House of Commons.

• (1320)

What about the farmers? This bill gives the wealthy families a break with retroactive tax breaks back to 1988, but what about the farmers in the prairies? What has the government done for the farmers? It eliminated the Crow benefit, which is a transportation subsidy. In effect 25 per cent of Canada's farming population will be eliminated from earning a living using their farming skills, yet the government is going to give the very wealthy additional hundreds of millions of dollars. This is tax reform of the very worst kind.

What about a fair taxation system where Canadians who are earning a living feel confident that their load is being shared by the very wealthy? The Liberal government is not providing that sense of confidence to the ordinary Canadians, to those who are working and to those who are looking for jobs.

This is an issue on which typically, Liberal members have mastered speaking out of both sides of their mouths. The hon. member for Gander—Grand Falls did an exceptional job of articulating the pitfalls of the legislation and the lack of priority it has with the Liberal government. That is common practice in the Liberal Party. Whenever it has a bill which is embarrassing, which will hurt the majority of Canadians at the expense of the very few wealthy, it always tries to have a few members of Parliament say: "What we are doing is not the right thing, but we are not going to vote against it. We are not going to make any public contention that it is a bad bill. However, we are going to put it on the record that we are not happy with what is going on".

It is time for Canadians to recognize that members of the Liberal Party of Canada speak out of both sides of their mouths. They do it effectively. I want them to understand that Canadians will not accept that very much longer.

This is not the first piece of legislation to help wealthy Canadians. In the budget last February the government dealt with family trusts. Family trusts are costing Canadian taxpayers millions and millions of dollars each year in terms of lost revenue, hundreds of millions of dollars over the course of the last four or five years. A family trust allows very wealthy families to shelter their income and their assets from Revenue Canada. Therefore, they do not contribute in a fair way to the revenues of our country.

In the last budget the Liberals said they would do away with the family trust situation to obtain more money for the population of Canada. When? In 1995? No. 1996? No. 1997? Well no, it takes a bit of time to unwind these things. Maybe in 1999, a year or two after the next federal election is when the Liberal Party will address the issue. It is helping the very wealthiest families and corporations in Canada.

The New Democrats are four square against this sort of priority when there are a large number of people who are unemployed, when the unemployment insurance program is under attack, when education is being cut back and when there is a vicious, unrelenting attack on medicare. The New Democrats will continue to stand up for ordinary Canadians on these issues, including fair taxation. We are asking the government to reconsider the bill, to make amends and to return it to the Senate, telling the Senate that we will not pass the bill.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I wanted to rise today to say that I consider this entire debate to be pathetically irrelevant. I reflect on the words of the hon. member for Kamloops that it is a frosty Friday when we have a member of the Reform Party agreeing with a member of the New Democrats.

We should be bringing forward issues like true tax reform, such as the hon. member for Broadview—Greenwood and our member for Calgary Centre have suggested. We should be bringing forward legislation for proper protection, particularly under the CPP and protection for seniors. We should be bringing forward realistic reform to health care and returning room to tax and powers to the provinces. I look at the Order Paper and see that in addition to this totally irrelevant and pathetic Bill S–9, the next orders of government are: Bill C–90, the Minister of Finance, an act to amend the Excise Tax Act and the Excise Act; Bill C–106, the Minister of Justice, an act respecting the Law Commission of Canada; and Bill C–105, the Minister of Finance, Income Tax Conventions Implementation Act. We should be doing some real legislation in this House.

• (1325)

It is a very unusual day but I underscore the fact that I stand very strongly behind the member for Kamloops when I say that this bill along with the rest of the legislation that is being brought forward by this government is pathetically irrelevant. Why not bring something to this House that has some meaning to the people of Canada?

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I rise to speak on Bill S–9 to draw out some of the points that are in the bill. First I want to congratulate my colleague, the member for Gander—Grand Falls, for bringing this important issue forward in a number of ways.

There are a number of good points in this bill and there are a couple of points I have very grave and serious concerns about. It is important to try to put on the record what some of those changes are so that we can distinguish between the areas of concern and the areas that may be positive.

The agreement makes a number of important changes to the earlier treaty, including bilateral reductions in withholding tax rates and dividends, interest and royalties reflecting the rates now accepted and enforced between most industrialized countries. That is an area I have some concern with.

A complete withholding tax exemption for payments for the use of technology, I think is a good point.

There is significant relief for Canadian residents from the application of United States estate taxes, increasing the maximum estate tax exemption from $60,000 to between $600,000 and $1.2 million U.S.

The expansion to the exemption from United States tax for income earned by RRSPs, RRIFs and Canadian pension plans is a good point.

There is the authority to impose withholding on CPP and old age security payments made to American residents. The 1980 treaty by contrast allowed only the state of residence to tax such payments.

There are two other points I should mention. There is the provision for mutual assistance in the collection of taxes owed by a citizen of one country who resides in the other, thus assisting in the prevention of tax fraud and evasion. Finally, there is authority to enter into arbitration to resolve disputes where the two countries' revenue authorities cannot agree.

My point is that there are good points in the bill but also some areas that we should be concerned about. I want to draw attention to my major area of concern. I agree fully with the member for Gander—Grand Falls on this point. The member raised it in his point of order with the Speaker. He referred to a letter dated July 17 from the Minister of Finance. That letter makes these points. I quote from that letter:

> I am not aware of the basis for your suggestion that the cost associated with the reductions in withholding tax rates and certain dividends will total $250 million annually. The only estimates that have been made post that figure at $125 million for 1995–96 and $145 million for 1996–97. It is important to note that these figures do not attempt to account for the effects of increased investment and the consequential growth of income tax revenues that may be anticipated because of the steps we are taking to bring our withholding tax rates in line with our major trading partners.

That is the nub of the issue. To me the statements indicate there is certainly a benefit to the wealthy in that part of the bill which I have to be concerned about. To be up front about it, one of the concerns I have about this Parliament is that I firmly believe for a Parliament to operate effectively, one has to have good government and good opposition.

• (1330)

I am amazed. I am extremely angry at what I hear from the opposition parties in terms of the issues sometimes. They have failed in previous debates to draw out these points so that they can be looked at early enough to try to address them.

The Reform Party is always willing and able to criticize some of the social programs in Atlantic Canada, to criticize the unemployment insurance program. Here is a case where there are benefits to the wealthy and its members have kept mum and been highly supportive. As members of a good opposition party, they did not even draw out these points in debate.

I am confident as a member of the government that there will be a counterbalance found in future legislation to reinstate some of the money back into the tax system, either by looking at RRSPs, corporate taxes or other taxation. As the government whip said in his speech, there are certainly some areas where we will gain finances as a result of this bill in terms of what is happening to the American residents.

In the future we have to find a counterbalance to the mesh, to the finances, that have been lost as a result of the tax dividends being forgiven here.

I would hope and encourage the government to look at that in the future.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred. The next question is on Motion No. 2.

[*Translation*]

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

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76, a recorded division on the motion now before the House stands deferred.

[*English*]

The House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House. The first vote will be on Motion No. 1.

Call in the members.

• (1335)

And the bells having rung:

The Deputy Speaker: It has been proposed that the matter be deferred until 5 p.m. this day.

Some hon. members: Agreed.

* * *

EXCISE TAX ACT

The House proceeded to the consideration of Bill C–90, an act to amend the Excise Tax Act and the Excise Act, as reported (without amendment) from the committee.

Hon. Jon Gerrard (for the Minister of Finance) moved that the bill be concurred in.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to.)

[*Translation*]

The Deputy Speaker: When shall the bill be read a third time? With the permission of the House, now?

Some hon. members: Agreed.

Mr. Gerrard (for the Minister of Finance) moved that Bill C–90 be read for the third time and passed.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Bill C–90 contains legislative provisions permitting the implementation of a number of amendments to the excise tax announced earlier this year.

Most of these proposals are linked to amendments announced in the February 27, 1995 budget, including amendments to the air transportation tax, the excise tax on gasoline, the marking requirements on tobacco products for sale in Prince Edward Island and the seizure and notification provisions relating to violations of the Excise Act.

Other proposals concern amendments to rates of excise tax on tobacco products for sale in Quebec, Ontario and Prince Edward Island. These amendments were announced in February and March along with provincial tax increases on tobacco.

[*English*]

Let me begin by addressing the key budget measures contained in Bill C–90. First, proposed changes to the air transportation tax will enable the government to recover a greater proportion of the costs of the air transportation services and facilities that are used by air travellers.

The proposed amendments to the Excise Tax Act will increase the maximum air transportation tax on higher priced domestic and trans–border air travel and the tax on international air travel purchased in Canada from $50 to $55.

In addition, the maximum tax on trans–border air travel subject to the United States' 10 per cent air transportation tax and the tax on international air travel purchased outside Canada will increase from $25 to $27.50.

These changes to the air transportation tax, effective May 1, 1995, will generate additional revenues of $27 million in the 1995–96 fiscal year and $33 million in the 1996–97 fiscal year.

Second, Bill C–90 proposes an increase in the rates of excise tax on gasoline equal to 1.5 cents per litre effective February 28, 1995.

In a budget that focused almost entirely on reducing the spending of government and delivered expenditure cuts by a margin of seven to one over tax increases, a move that I know was applauded by members of the Reform Party, this measure is necessary to raise an additional $500 million per fiscal year to ensure that the government meets the deficit reduction targets that are integral to a strong and growing economy. The Minister of Finance has reaffirmed repeatedly the government's commitment to meet the deficit reduction targets outlined in the budget in 1995 and will undoubtedly reaffirm those in the next budget.

• (1340)

Third, in addition to these rate changes affecting the air transportation tax and gasoline, Bill C–90 also enacts amend-

ments to the marking requirements for tobacco products for sale in Prince Edward Island. These amendments will phase out the sale of black stock or unmarked tobacco products in Prince Edward Island and allow for the sale of Nova Scotia marked tobacco products in the province.

This change in the tobacco marking scheme is being undertaken at the request of the two provinces and will allow for greater efficiency in serving the Prince Edward Island market.

The final budget measure contained in Bill C–90 concerns the seizure and notification provisions in respect of offences under the Excise Act.

The proposed amendments will rectify certain enforcement difficulties by allowing officers discretion in their ability to seize vehicles while stipulating that reasonable efforts must be undertaken to provide notice of seizure to known third party interests.

The bill also implements important changes in respect of excise tax rates for tobacco products for sale in Quebec, Ontario and Prince Edward Island.

As all hon. members are aware, modest federal excise tax increases were announced earlier this year in conjunction with provincial tobacco tax increases in these three provinces.

These tax increases follow the success to date of the national action plan to combat smuggling in significantly reducing contraband tobacco activity and restoring the domestic tobacco market to legitimate Canadian wholesalers and retailers.

In Quebec and Ontario, federal excise tax rates are being increased by 60 cents per carton of 200 cigarettes, while in Prince Edward Island excise taxes are being increased by $1 per carton of 200 cigarettes and 32 cents per 200 tobacco sticks.

The excise tax increases in respect of cigarettes for sale in Quebec and Ontario are effective February 18, 1995 while the increases in respect of cigarettes and tobacco sticks for sale in Prince Edward Island are effective April 1, 1995. These changes will generate an additional $65 million in federal revenues on a fiscal year basis.

Emphasize the importance of the provisions contained in Bill C–90, notwithstanding the flippant remarks made by the hon. member of the Reform Party while speaking earlier and saying that the legislation on the government's agenda was unimportant.

The proposed changes to the air transportation tax and the excise tax rates for gasoline are an important part of the government's commitment to increased cost recovery and deficit reduction.

Amendments to the tobacco marking scheme will allow for greater efficiency in serving the Prince Edward Island market, while amendments to the seizure and notification provisions of the Excise Act will improve the delivery of enforcement activities.

Finally, the changes to the excise tax rates for tobacco products for sale in Quebec, Ontario and Prince Edward Island represent important first steps toward the long term restoration of uniform federal excise tax rates for tobacco products across Canada.

[*Translation*]

I encourage my colleagues to pass this bill without delay.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, Bill C–90 is now at the third reading stage. We have already had an opportunity, as the official opposition, to state our position on this bill at the second reading stage and in committee, the Standing Committee on Finance.

Although some of these measures may be positive, there is one that bothers us particularly, so much so that we would vote against this bill. I am referring to the proposal to increase the excise tax on gas by 1.5 cents per litre.

I will be brief. I want to make a connection between this debate and the one we had when we were discussing the excise tax on cigarettes.

• (1345)

In fact, this bill contains measures that would bring about a gradual upward adjustment of the tax on tobacco products. Of course we all realized at the time that the purpose of the drastic reduction in taxes on tobacco products was to destabilize smuggling networks. However, everyone agrees that now the price is so affordable it could have a disastrous impact on the demand for these products in the long term. The lower the price, the better a product sells.

No one objects to an adjustment. However, we should be careful not to do this too quickly and in the process give the smuggling networks a chance to regroup and take control again.

That being said, the government still has a duty to monitor the situation, because there are other ways besides taxation to ensure that people engaged in smuggling various products are arrested. This still goes on. It is still the case for various kinds of products. Enforcement is not as strict at that level. Much remains to be done to improve the way we deal with various smuggling networks.

As far as the excise tax on gas is concerned, everybody knows it can be very irritating, and it is so easy for the government, when it needs money quickly, to use the excise tax on gas, because this is instant revenue. We are talking about $500 million which the finance minister quickly took out of taxpayers' pockets.

It is hard for the consumer to see this happening, because when the price of gas goes up at the pump, the consumer is not sure whether the price of oil has gone up or the retailer, the

manufacturer or someone else has raised his profit margin or whether the government has just increased the excise tax.

Unlike other types of products, when we buy gas, it does not say what proportion of the price we pay for a litre of gas is actually taxes. It is just as well, because taxpayers would be even more furious with the various governments. They would be constantly reminded of all the taxes levied on gasoline products.

In this case as in the case of tobacco products, when the government goes to the other extreme and tax levels rise beyond the acceptance threshold, taxpayers feel they have every right to buy contraband goods. We may deplore it, but the taxpayers' feeling is that this is a legitimate action they are taking.

We must not do anything to bolster this trend, because we know all the problems there are with the underground economy, the black market economy. At some point, the tax on gasoline reached the limit people would bear. We feel that any increase will only contribute to pushing consumers toward the underground economy, which is extremely counterproductive for everyone. It is counterproductive not only for the taxpayers who make use of it, since those using the black market economy are penalizing themselves without knowing it, but also for everyone in the long run. At some point we have to learn our lesson.

It does not seem that we have learned any lesson from what happened with tobacco products. Certain products in a number of different areas are still being heavily taxed.

However, it is not abnormal for there to be higher taxes on gasoline than on other products, because of the environmental effects everyone is aware of. Steps must be taken to ensure that when what the economists call externalities result from the consumption of a product, there are provisions to make the users bear the cost of those externalities. At some point, however, there is some uncertainty as to whether we have gone too far in this.

Essentially, we strongly disagree with this measure and feel that raising the tax again by 1.5 cents a litre in his last budget was not the route the Minister of Finance ought to have taken. We do not feel this is a measure that will contribute to any great extent to economic recovery. Everyone knows that there is a lot of work to be done on the expenditure side. If the Minister of Finance has no ideas of his own, we might suggest that he hasten before the finance committee to discuss it, something he has refused to do because of his fear of presenting his financial statements before the referendum. That is understandable.

If he wants to discuss it in more detail, we invite him to do so. This will provide us with the opportunity to debate the matter with him and to point out that there may be other avenues he ought to explore when he needs to balance his books, instead of constantly digging into the taxpayers' pockets for more revenue.

• (1350)

Therefore, essentially, it is our intention to oppose adoption of Bill C–90 on third reading and, as I have said, it is because of this measure. There are others on which I have not spoken but which we were able to bring up during second reading or in committee on which we do agree. We have a major disagreement with this one.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am pleased to rise today to speak in opposition to Bill C–90. This is a Liberal taxation bill. I want to comment on how easily the words "Liberals" and "increased taxation" flow together; they seem to be a naturally united phrase.

This bill amends the Excise Tax Act and the Excise Act in order for the Liberals to bring in the increased taxes they proposed in their budget last February. Mr. Speaker, I am sure that you and probably every other working Canadian will agree that this country simply does not need any more new taxes. Canadians are probably one of the most overtaxed people in the entire world, and we have a government in power that is intent on continuing to make sure we do not lose that mantle of taxation.

Taxation ultimately drains the lifeblood out of our economy. This is something Canadians are very aware of and very concerned about, how the high taxation levels in our country have such a devastating effect on the economy. We will talk about two areas of harmful effects of taxation, which probably account for 90 per cent of how we build and keep our economy buoyant, and that is investor confidence and consumer confidence.

High taxation levels have delivered a tremendous level of uncertainty to the investors, the people who would build and expand businesses in our country, who would hire Canadians to run their factories and operations, creating jobs in the country. Because of the rising taxation levels there simply is no certainty of the future for these investors, who have no incentive to increase their investments.

The average working person in Canada probably has less disposable income than ever before. There is no certainty that disposable income will not continue to shrink. Therefore consumer spending has been drawn back, thus creating a harmful effect on our economy.

The Liberals respond not with a plan to decrease their spending, to decrease their deficit spending, not with a plan to offer some tax relief to Canadians, the two things that would probably serve in more ways than any other measures to restore some buoyancy to our economy. No. The Liberal Party does not respond with these two natural solutions. Instead, they implement more

taxation in their February budget. Now they are seeking the authorization to put that into force.

Prior to the election in 1993, the Reform Party said that if the Liberal government were elected, using its own red book predictions on the financial aspect, over the term of this 35th Parliament the Liberal government would add $100 billion to our national debt and would increase the annual interest payments on that debt by some $10 billion. That is $100,000 billion and $10 billion. The Liberal Party is right on target.

• (1355)

By the end of the 35th Parliament our national debt will have increased by $100 billion, our interest payments on that debt will be up somewhere in the neighbourhood of $50 billion to $52 billion, and all because the Liberal Party has not taken what could be considered a common sense solution to the financial crisis in this country, which is to reduce taxes and reduce its deficit spending. Instead the Liberals chose to increase taxes. Bill C–90 gives them authorization to implement, for example, the 1.5 cent a litre tax on gasoline, which is going to add $500 million more taxes on the middle class alone.

While the government talks about tax fairness, in its last budget it in fact raised taxes by over $1 billion. In fact if we look at tax increases in the last two government budgets, the Liberals have increased taxes by about $2.5 billion, with another $500 million in user fees or hidden taxes.

Canadians should be pleased that these increased taxes have been put to good use. I will give some examples of Liberal good use. The U.S. Department of Energy—this is small potatoes, but there are about 5,000 of these, I understand—received a $35,000 grant from the Canadian government. The United Steel Workers of America received $116,000 from the taxpayers of Canada via the Liberal government. Here is a good one: the Prison Art Foundation received $51,000 from the Canadian taxpayers, compliments of the Liberal Party. The Feminist Literacy Workers Network received another $57,000 from the taxpayers of Canada, thanks to the Liberal government. This is only part of about 5,000 or 6,000 of these grants that have gone out.

This type of money does not fall down from the sky in some miraculous manner. We do not pick it off a tree, as some Liberals would like to believe. This kind of money comes from the pockets of hard working Canadians, who are among the most highly taxed people in the world.

It is said that the average middle class Canadian worker in this country in all forms of taxes pays about 63 per cent of their gross income in taxation. In a country as rich as Canada is, with the potential and the opportunity Canada has, the fact that Canadian workers are paying this much taxation out of their gross income is absolutely obscene.

The Speaker: My colleague, of course you will have the floor, should you so desire it, after the question period.

It being 2 p.m., we will now proceed to Statements by Members. The hon. member for Dartmouth.

STATEMENTS BY MEMBERS

[*English*]

GOVERNOR GENERAL'S AWARD

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, it is a real pleasure for me to rise in this House today to acknowledge the contribution to Canadian life by Carolyn Thomas, who is an outstanding Canadian and who is a constituent of mine.

Mrs. Thomas, from the community of East Preston, yesterday was the recipient of the 1995 Governor General's award in commemoration of the persons case. This is a particular honour for me because I have known Mrs. Thomas and worked with her and her husband since I was elected to this House in 1988. In that time I found her to have dedication and determination practically unrivalled in my community, not only pertaining to the betterment of women, but for the betterment of her community of East Preston, the oldest indigenous black community in Canada, and for Canadian society as a whole.

In addition to her work in the struggle for equality for women, over her lifetime Carolyn has been a visionary in her struggle for human rights and better race relations. She was a founder of the Human Rights Commission in the province of Nova Scotia and continued her good work with them for 23 years.

I ask that my colleagues here in the House and the people of the great city of Dartmouth and—

* * *

[*Translation*]

POVERTY

Mr. André Caron (Jonquière, BQ): Mr. Speaker, the international day for the elimination of poverty provides an opportunity for all Quebecers to take a moment to reflect on the dramatic living conditions of some of our fellow citizens.

Nearly a million and a half Quebecers live below the poverty line. We live in a province that suffers from the highest rate of poverty in Canada, by far. Despite all the efforts of the Government of Quebec, one child in five in Quebec comes from a poor family. Quebec seniors continue to be much poorer than seniors anywhere else in Canada. We are struggling with a huge problem that is tearing us apart.

Quebec must become sovereign so its government will have the means to combat poverty effectively. This is why Quebecers will vote yes.

* * *

[*English*]

SPORTS ILLUSTRATED

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, this week, for the first time ever, Canadian MBA teams took to the courts to the great delight of their fans across the country. How ironic that at the same time as we are welcoming the MBA to Canada we are closing the door on North America's largest sports magazine, *Sports Illustrated.*

Essentially the government has said that *Sports Illustrated* cannot be allowed split runs in Canada because SI is too efficient in its production and too effective in attracting readers and therefore advertisers. By all means let us not encourage that; we do not want people to go around thinking it is all right to be efficient and successful.

By shutting *Sports Illustrated* out of Canada the government is taking a 200–year leap back in time. While other Canadian communications technologies compete head to head with companies from around the world, the magazine publishing industry in Canada has adopted the views of communist Bulgaria.

Sadly Canadian magazines will be the big losers in this policy. If advertisers cannot reach their market in magazines they will do so in other media that do not respect laws issued by sentimental Canadian regulators who pine for the good old days before the telegraph.

* * *

HEALTH CARE

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, as NDP health critic on April 2, 1994 in third reading debate on the Canada Health Act, I welcomed the move to eliminate extra billing and user fees. I also asked the Liberal government of the day, which was the first federal government to unilaterally cut back on federal transfers, "to sit down with the provinces and renegotiate that funding relationship so we can have a full fledged financial partnership with respect to medicare".

The Liberal government's new Canada health and social transfer with its $7 billion cut is just another Liberal unilateral cut and a further erosion of the partnership that was medicare.

Dealing with private clinics is one thing, but it is a form of straining out gnats while swallowing camels if the federal government continues to set up medicare for destruction by starving it to death.

When it comes to medicare the Liberals are into a form of passive euthanasia that plays into the hands of those who would like to actively destroy it by what I would call right wing assisted suicide.

* * *

MAY COHEN

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise in recognition of Dr. May Cohen of Burlington, Ontario, a keen promoter of women's health issues and a powerful advocate of gender equality in the medical profession. She was a recipient yesterday of the 1995 Governor General's award in commemoration of the Persons case.

A physician, researcher, educator and activist, Dr. May Cohen has repeatedly challenged the medical profession on the way it deals with the health concerns of women patients. As a volunteer and in her capacity as Associate Dean of Health Services at McMaster University's faculty of health sciences, she has taken a lead on an impressive array of issues, including gender equality, sexual harassment, sexual abuse of patients by physicians, the role of women in the medical profession and women's health in the context of women's lives.

I ask colleagues to join with me in celebrating Dr. May Cohen's achievements and extraordinary commitment to women's health. Her family and friends are justifiably proud, and so am I.

* * *

ALICE E. TYLER

Mr. John Loney (Edmonton North, Lib.): Mr. Speaker, as we approach the anniversary of the Persons case I am honoured to pay tribute to Alice E. Tyler of Edmonton, Alberta, the province where the Persons case got its start.

Alice Tyler has made the portrayal of the famous five champions of the Persons case and the promotion of their accomplishments a major focus of her life's work. In recognition of her efforts Alice Tyler was recognized as a recipient of the 1995 Governor General's award in commemoration of the Persons case.

Alice Tyler's portraits of the famous five in the Persons case have been hung in the Alberta legislature, the Edmonton Law Courts Building and the Edmonton City Public Library. They have been displayed elsewhere in Canada and abroad.

• (1405)

On a personal level, she has always been an ardent believer in the abilities of women. During her 24–year career as a high school art director she consistently encouraged young women to live up to their potential, helping many to set their sights on meaningful careers.

For her unique efforts to preserve the legacy of the Persons case, Alice E. Tyler is a most deserving recipient of the 1995 Governor General's award in commemoration of the Persons case.

* * *

RUTH FLOWERS

Mr. Fred Mifflin (Bonavista—Trinity—Conception, Lib.): Mr. Speaker, I rise to acknowledge the singular contribution made by Ruth Flowers of Makkovik, Labrador, a recipient of the 1995 Governor General's award in commemoration of the Persons case.

The voice of the women in her community, she has sought to protect women victimized by violence, to involve women in community economic development and to preserve and promote the traditional culture of Inuit women.

A committed advocate of women's rights, Ruth Flowers was the catalyst behind the creation of Inuit Women of the Torngats and its first president. Under her leadership the organization established the first safe house for abused women on Labrador's north shore.

For her dedication and selfless efforts on behalf of the women of the north shore of Labrador, the Government of Canada has today honoured Ruth Flowers with the 1995 Governor General's award in commemoration of the Persons case. I ask all colleagues to join me in conveying our congratulations.

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[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, by causing the Centre francophone de santé et de services communautaires in southern Ontario to close, the Harris government has just revealed its true intentions with regard to Ontario francophones.

For Franco–Ontarians, the message is clear: if you really want services in French, move to Quebec. This action, which speaks volumes, unfortunately confirms that Quebec's presence in Canada does nothing to prevent decisions that flout the fundamental rights of francophones outside Quebec.

Where is the member for Glengarry—Prescott—Russell, the self–styled defender of francophone rights? Why is he hiding when it is time to act? There is no longer any doubt, the future of the French speaking community in North America lies in a sovereign Quebec.

[*English*]

CLAUDE BENNETT

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, recently the Prime Minister stated in the House:

> Any citizen can request information from government departments. It is in keeping with our government's policy of openness to provide as much information as possible.

Why then is the government denying access to information requests regarding the severance package for Claude Bennett, the former chair of CMHC. Mr. Bennett agreed to step down last August after a back room cabinet deal sweetened his severance package.

It is time the government came clean with its backroom deals. Either we have a policy of openness as the Prime Minister states or we do not, or perhaps the policy is opaque as recently stated by the parliamentary secretary.

Mr. Bennett's severance package was paid for with taxpayer's dollars, yet now the government is blocking requests to divulge the details of the deal. So much for open government.

* * *

SHEILA KINGHAM

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, on behalf of the Government of Canada I am proud to salute Sheila Kingham of Victoria, British Columbia, for her many years of service on behalf of rural women. Today Ms. Kingham received the Governor General's award in commemoration of the Persons case.

Ms. Kingham's accomplishments have been many. An articulate and persuasive public speaker, she has given countless presentations and briefs on topics ranging from the rape shield law to women's health. She has encouraged others. As a firm believer in the power of collective action, she has helped other women to organize and lobby for advances in all areas of women's political, social and economic equality.

[*Translation*]

Mrs. Kingham created the position of rural co–ordinator for the Manitoba Action Committee on the Status of Women and helped establish the Western Manitoba Coalition for equality rights in the Canadian Constitution, an organization formed to give voice to the concerns of rural women about constitutional change.

I am sure all members of this House will agree that Sheila Kingham is most worthy recipient of the 1995 Governor General's award.

S. O. 31

MARTHE ASSELIN VAILLANCOURT

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, I pay tribute to Marthe Asselin Vaillancourt of Jonquière, Quebec, one of the recipients of the 1995 Governor General's award in commemoration of the Persons case.

A long–time educator, researcher and grassroots activist, Marthe Asselin Vaillancourt has never missed an opportunity to improve the status of women.

• (1410)

Over the years, she has spoken out regularly on sexual assault, pornography, employment equity and family violence.

Within her community, she was the initiator of and the driving force behind the establishment of a shelter for women and the development, in co–operation with the Quebec provincial police, of a pilot project to oppose violence against women. This project resulted in the establishment of the Centre d'aide aux victimes d'actes criminels de Chicoutimi, which she currently heads.

She has served as national co–chair of the Canadian panel on violence against women, which conducted the first national study in the world on this serious social problem.

* * *

REFERENDUM CAMPAIGN

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, the people of Quebec will be deprived of the opportunity to view a television debate between the presidents of the committee for the yes side and the committee for the no side during the present referendum campaign.

A consortium of television broadcasters has announced that the deadlines for organizing such an event cannot be met and consequently it will not take place.

Despite repeated appeals from the no side for such a debate to be held, and despite all of the concessions made, the yes side continues to refuse a public debate on the basic issues.

After successfully blocking the television debate, now the yes side is pulling the leader of the Bloc Quebecois out of the House so that he will not have to defend his statements concerning the plan for separation.

Following the example of the separatists' saying "no" to debate and to the disclosure of information, on October 30 the people of Quebec will vote "no" to separation.

* * *

REFERENDUM CAMPAIGN

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, this morning the Leader of the Opposition, accompanied by Françoise David, President of la Fédération des femmes du Québec, had the opportunity to explain what he said this past weekend.

Those of us who are in favour of change feel it is imperative for parents to be given assistance in reconciling jobs and family responsibilities. It is not a matter of making people have more children than they want.

In a sovereign Quebec what we are aiming at is better paid parental leave, increased services for young children, more daycare spaces, more flexible working arrangements.

The women of Quebec do not wish to be used as a red herring. Quebecers, both men and women, want the focus to be on true debate, not on blackening the character of a man of integrity, a man without a racist or sexist bone in his body.

* * *

[*English*]

JUSTICE

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, over and over again Reformers in the House have tried to tell the Liberal government that Canadians want their safety and the safety of their families to be the top priority of our justice system.

In two days time, on Thursday night in Oshawa, the Reform message that the rights of law–abiding citizens must come before the rights of criminals will be reinforced by hundreds of Ontarians in a rally at the civic auditorium.

The Reform Party leader joined by the justice critics, the hon. members for Calgary Northeast, Crowfoot and Wild Rose, will deliver Reform's clear common sense plan for strong and effective changes to Canada's justice system.

Canadians are tired of having to look back over their shoulders in fear rather than ahead in security and confidence as they build their lives and their futures.

Reform is committed to solid measures to safeguard the future of Canada. I invite Canadians everywhere to look at what we are proposing and to give us their support.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, yesterday the PQ premier made a great effort to minimize and make a mockery of the significance the public attaches to what the leader of the Bloc had to say about the low birth rate of the white race in Quebec.

When questioned as to the meaning of what his separatist colleague had said, the leader of the Parti Quebecois found nothing better to reply than "So what would you have me say? The pale-faced race?"

Whether white or coloured, Quebec women are, just like Quebec men, persons who will be called upon shortly to decide the future of Quebec.

The tendency of the yes side to pigeonhole people according to sex, language or race does not correspond in the least to the values of our society.

This coming October 30, the women and men of Quebec will be saying no to a project that seeks to divide them.

* * *

• (1415)

REFERENDUM CAMPAIGN

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, the imagination of the people who design the ads for the separatists has no bounds. Yesterday, the yes committee placed an ad in several Quebec newspapers, showing a page of help wanted ads, under the heading: "This is how we see the future".

The jobs offered in the ad for the yes side included the following: "Sexy waitress required for new bar on South Shore"; "Barmaid required, experienced, nice appearance". Another ad: "Sell pantyhose from your home". Listen to this: "Sexy restaurant-bar requires pretty waitress and sexy barmaid, nice personality. Duties: lunch, dinner and manager". Yes, those were the duties.

Since yesterday, the yes side has been trying to provide an explanation for what its leader said, but they have their work cut out for them. On October 30, the women of Quebec will say no to those who would determine their future for them.

ORAL QUESTION PERIOD

[*Translation*]

THE CRTC

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, first of all, I want to say I am appalled at the statements made by the Minister of Intergovernmental Affairs who said this morning that Quebec sovereignists were racist. I think that is entirely unacceptable.

My question is directed to the Prime Minister. Increasingly, francophones see their language and culture threatened in Canada. The CRTC, whose mission includes preserving the cultural identity of francophones in the broadcasting sector, is being forced to shift its decisions as we saw recently when an exemption was granted to Power DirecTv for the use of an American satellite for television transmissions.

Now that Power DirecTv has applied to the CRTC for a broadcasting licence for pay per view television, what guarantees do francophones in Quebec and the rest of Canada have that the regulations now in effect at the CRTC will be enforced this time, unlike what happened in this recent case before the CRTC?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, what is important is what it says in the act, and I am referring to the Broadcasting Act which established the CRTC. I am very pleased that the CRTC will consider representations on the subject raised by the hon. member. That is how the legislation works, and it is there to protect Canadian content on our airwaves.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since the minister has decided to come out of his shell, we will ask him about the CRTC.

Would he agree that Power DirecTv's application for permission to broadcast 63 English channels, 60 of which are American, and only one French channel on pay per view will leave the door open for Canada and Quebec to become a mere extension of the American market, which would be extremely harmful to the French fact in America?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, obviously, in Canada the interests involved can apply for whatever they want, but it is up to the CRTC to decide. It makes its decisions on the basis of the legislation, the Broadcasting Act to which I referred earlier.

When the CRTC has made a decision with respect to a licence, that decision can be appealed to cabinet. That is how the legislation works, and its purpose is to protect Canadian content.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the House will recall that in a recent case, when the minister was gagged by the leader of the government, CRTC regulations were

circumvented to ensure that Power DirecTv obtained a special authorization.

• (1420)

My question to the minister raises the same concerns. How can the minister expect francophones in Quebec and Canada to feel secure in the belief that the federal government will protect the French fact and their cultural identity in the broadcasting sector, when we know perfectly well that recently, the federal government bent the rules of the CRTC to give Power DirecTv an advantage and that now the same company proposes a pay per view service including 63 English channels, 60 of which are American, and one French channel? How can francophones say they are being well defended by this government?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member's question would be valid if it were based on fact, which it is not. The federal government never violated the act and never instructed the CRTC to contravene the act, on the contrary.

We wanted to ensure there was no penetration of Canada's airwaves via American satellites. We acted for the purpose of protecting Canadian content.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, cultural groups in Quebec rallied together yesterday to ask the CRTC to not compromise the present linguistic balance in broadcasting, specifically by granting a licence to Power DirecTv. For its part, the federal government claims to be acting, again in the case of Power DirecTv, in the name of free competition. This new episode demonstrates that Quebec has no control over its broadcasting environment.

Will the Prime Minister acknowledge that the Power DirecTv project would seriously compromise the linguistic balance of the Quebec broadcasting system and consequently risk weakening Quebecers' cultural identity? Is this what awaits Quebecers following a no vote in the referendum?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the CRTC has received a number of applications for licences. Next comes the perfectly natural process whereby they are heard, everyone's comments are heard, those in favour and those opposed—this is the point of the process.

The government will not intervene in the debate, because the law prevents it. We will, however, see at the end of the process whether the CRTC's decision is wise and, if it is not, interested parties will certainly be appealing to the government. At that point, we can decide. Let us allow the process to take its course, and then we will have some answers.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, does the minister acknowledge that, in the present federal context, Quebec has no power over broadcasting enabling it to protect its cultural identity against the massive influx of new English language television channels into Quebec? Is this not another good reason to vote yes in the referendum?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I would like our colleague to respond to questions I have often put to my friends in both the Bloc and the Parti Quebecois.

As a country separated from Canada, how is Quebec going to block the American programs that spill over its borders via satellite? They will need the mechanism that we already have—the CRTC and the Broadcasting Act.

They should be delighted to have such a mechanism and vote no.

* * *

[*English*]

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the Canada Health Act will not allow private clinics to provide services that are insured by medicare. Most Canadians feel they should have a choice if medicare does not meet their needs.

• (1425)

Will the health minister finally agree to amend the Canada Health Act to allow fully opted out private clinics in Canada?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, unlike the opposition Reform Party, we have stood by our red book promises. We have said that we would continue to support the five principles of medicare. The medicare we have in Canada is one of the great reasons why it is wonderful to be Canadian.

We have a system where it matters not how wealthy you are. What matters is how sick you are. That is the way it should continue to be. We should use our resources the best way possible to have the best technologies, the best pharmaceuticals in order to treat our sick Canadians and make them healthy.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I have trouble figuring out why waiting lists do not seem to bother the Liberals.

An American firm is now selling waiting list insurance for Canadians. If you have to wait more than 45 days you can ship off to the states. Not only do the Liberals say line up and shut up but they also say ship out.

What is the minister doing to reduce waiting lists or is she content to have Canadians travel to the U.S. for medical attention?

Hon. Diane Marleau (Minister of Health, Lib.): Perhaps, Mr. Speaker, if the Reform Party really wants to know about

waiting lists they should speak to the 38 million Americans who have absolutely no insurance at all.

Some hon. members: Hear, hear.

Ms. Marleau: Mr. Speaker, a survey conducted last year by the Alberta Consumers' Association found that ophthalmologists who only operated in hospitals had waiting lists for surgery of two to five weeks while those who worked in both private clinics and hospitals could perform surgery on a private patient in two to four weeks but a hospital patient could wait up to 20 weeks.

Private clinics are not necessarily the answer to long waiting lists.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, these are facts. The wait for elective heart surgery in Manitoba is over two years; for a hip replacement in P.E.I. it is over one year.

This minister clings to her bureaucrats and her beloved legislation—

Some hon. members: Oh, oh.

The Speaker: The hon. member for Macleod.

Mr. Hill (Macleod): The minister clings to her beloved bureaucrats and her old–fashioned legislation. In the nineties that means medicare is literally bad for everyone.

Will the minister put health before petty politics and arbitrary deadlines, sit down with the provinces and reform the Canada Health Act so we will not have to choose between death on a waiting list or travelling to a foreign country?

• (1430)

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I will work and I am working with the provincial governments to shape the future of medicare. The National Forum on Health is also working and will be consulting with Canadians.

When it comes to waiting lists in this country, allowing the wealthy to get to the head of the line does not shorten the line; it only pushes others to the back.

* * *

[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Prime Minister.

After two years of Liberal government and 25 years of the Official Languages Act, the situation of francophones outside Quebec continues to worsen. One third of them now speak English at home. In British Columbia, the assimilation rate is even 75 per cent. So now we are not speaking of more than a million francophones outside Quebec but rather of 640,000 who are still using French.

Will the Prime Minister admit that the poor results obtained from the Official Languages Act shows the failure of his vision of Canada, since it has not been successful in blocking the increasing assimilation of francophones outside Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, recently the magazine *L'Actualité* reported that Canada has made more progress in recent years than any other country in the world with respect to the use of French.

I cannot understand the hon. member. She is prepared to abandon francophones outside Quebec. She is prepared to abandon the million francophones living outside Quebec.

They show no consideration for these people because they want to separate from Canada. We on the other hand want to remain within Canada because we want to offer real protection to those who really have the merit of speaking French, the francophones outside Quebec.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I would like to remind the Prime Minister that it is he who has separated us from Canada, it is not Quebec which wishes to separate from Canada.

Secondly, may I remind him also to consult the figures from Statistics Canada. There are one million francophones, yes, but just 640,000 of them use French at home and are therefore considered French speaking.

An hon. member: They are becoming assimilated.

Mrs. Tremblay: They have been assimilated.

Mr. Godin: Poof.

Mrs. Tremblay: The francophones—poof.

An hon. member: The francophones—poof.

Mrs. Tremblay: Does the Prime Minister then not acknowledge the very opposite, that the future of francophone culture in America rests with a sovereign Quebec, for only a sovereign Quebec will constitute the anchor point for all francophones. In it they will find a true and tenacious ally in solidarity with them, one that will defend their most legitimate demands everywhere.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this very day the newspaper representing francophones outside Quebec has asked Quebecers to vote no in the referendum, because the future of francophones outside Quebec depends on the federal Official Languages Act, and on the fact that there is a government here in Canada, in Ottawa, which has always defended francophones outside Quebec.

Certainly some people have more difficulty than others in retaining their French, but they do want to retain it. Not only that. Every year 350,000 English speaking Canadians learn French because they live in Canada, a country where there are francophones, and this raises the number of people speaking French in Canada and in the world. The reason French is alive

and well in America is that the French have remained in Canada since Confederation.

* * *

[*English*]

SOMALIA INQUIRY

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, yesterday Canadians were stunned by the admission of the defence minister that the National Defence Act will prevent certain charges from being laid at the conclusion of the Somalia inquiry.

• (1435)

Yesterday, the Minister of National Defence told the *Globe and Mail* that charges could be laid under the Criminal Code of Canada. The chairman of the Somalia inquiry stated: "Most of the matters we will be dealing with might end up in some findings that could perhaps call for disciplinary action as opposed to criminal charges". As opposed to criminal charges.

Will the minister admit that there will be no judicial remedy for certain charges when the Somalia inquiry is finally concluded?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I answered this question rather clearly yesterday.

There is sufficient flexibility in the National Defence Act to ensure that justice will be done. The government well knew the statute of limitations on certain disciplinary matters under the National Defence Act when the inquiry was called. Indeed the justice who chairs the commission, Justice Létourneau, knows it well because he was a former judge of the court martial appeals court.

There are other ways in which justice may be done administratively. If the hon. member is afraid that those people if identified cannot be brought to justice or are somehow not going to be dealt with fairly, I assure him to the contrary.

This will be a matter that will be done in a very deliberate way after all the evidence is brought forward. I would like him to let the commission get down to work so that justice can be done.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the minister knows full well that I am afraid of nothing, but the minister should be very afraid of his mismanagement of this entire affair.

I will read from the National Defence Act. It sets out a three-year limitation period for everything except mutiny, desertion, absence without leave, and death penalty offences. That is it.

Canadians know there is a separate code of law which applies to our military to enforce discipline and leadership which expires in March 1996. Canadians want to know why the minister has so mismanaged the affair that now discipline and leadership cannot be enforced in our Canadian Armed Forces.

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member quite frankly does not know what he is talking about. He has cited rather selectively sections of the National Defence Act. I want to assure him that there are ways of dealing with culpability other than with criminal charges. He should go back and look at the National Defence Act and perhaps get some advice on how to interpret it and then come back with some decent questions tomorrow.

* * *

[*Translation*]

FRANCOPHONE COMMUNITIES

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is directed to the Prime Minister.

Premier Roy Romanow of Saskatchewan, that great Canadian who was a party to excluding Quebec from the Canadian Constitution during the night of the long knives in 1982, said recently that if Quebec voted yes, that was the end of French school boards in Saskatchewan.

Does the Prime Minister intend to protest against this kind of blackmail at the expense of francophone communities, or does he agree with his 1982 accomplice?

[*English*]

The Speaker: My colleagues, this question is not the administrative responsibility of the Prime Minister. This question would be out of order but if the Prime Minister wants to answer it, I will let him answer it. If not, I will go on to the next question.

[*Translation*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the best way to protect the education rights of francophones outside Quebec—which we put in the Canadian Constitution in 1982, it was not there before—the best way to ensure that French schools outside Quebec are protected by the Constitution adopted by this Parliament in 1982, when I was Minister of Justice, is to stay in Canada. The best guarantee francophones have is to stay in Canada.

When I see francophone members abandoning francophones outside Quebec, I find that shameful, Mr. Speaker.

• (1440)

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I am asking the Prime Minister whether he dissociates himself from what was said by Premier Roy Romanow of Saskatchewan. That is what I am asking, and he is evading the question.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Premier of Saskatchewan, like the other premiers today in Canada, has an obligation under the Canadian Constitution to protect French schools outside Quebec. If Quebec separates from Canada—

An hon. member: That is blackmail.

Mr. Chrétien (Saint–Maurice): It is not blackmail. There will be only one million francophones outside Quebec who will no longer have the support of francophone members from Quebec, like me and others who have spent their careers defending francophones outside Quebec here in the House of Commons. I have been doing that for 32 years. It produced results. But they want to abandon them because they want ambassadors from Quebec driving around abroad in their limos.

* * *

[*English*]

CFB CHILLIWACK

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, in the February budget the defence minister announced the closure of CFB Chilliwack, the only land force base in British Columbia. Yet in a memo marked secret and prepared for DND just prior to that announcement, land forces command made the following observations: "Land forces command requires an army base to support the domestic operations in B.C. LFC feels Chilliwack is ideally suited to fulfil those operations. The closure of CFB Chilliwack should be opposed and CFB Chilliwack should be retained".

Why did the minister ignore the advice of his own officials and choose to close B.C.'s only land forces base, CFB Chilliwack?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, on the contrary, I accepted the advice of my officials. It was the department that recommended the consolidation of the army base in Edmonton with the closures of Chilliwack and Calgary.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, in another memo obtained under the Access to Information Act, Brigadier General Stephenson, director general of land forces development, questions whether there will be any savings by closing the base. Colonel Daigle of land forces command says that the cost of moving the engineering school for example will negate the savings achieved by closing CFB Chilliwack.

If land forces command argued it needed the base open for military reasons and the experts said that closing the base was not going to save any money, did the minister close the base because of mismanagement or did he merely choose to move it to Edmonton because his Liberal seatmates live there?

The Speaker: Colleagues, I would ask you to please consider not to impute motive in any sense. The first part of the question I would say is in order. The second part is not in order. If the hon. minister would like to answer the first part, I would give him that option.

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, again the hon. members opposite read selectively from documentation. They did not look at the full range of advice that was provided to the deputy minister and to the chief of defence staff. The fact is the savings generated by the closing of Chilliwack will be $46 million a year.

I find it rather odd that the Reform Party, a party that comes into this House everyday and tells the government to cut spending, objects when that spending is cut close to home. "Not in my backyard" is the way Reformers play politics.

* * *

[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Prime Minister. In causing the closure of the Centre francophone de santé et des services communautaires in southern Ontario, the Harris government has revealed its true colours. For Franco–Ontarians, the message is clear: If you want services in French, move to Quebec.

How does the Prime Minister explain his silent complicity with Mike Harris, as he cuts services to francophones in Ontario?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am not aware of this matter. I will certainly look into it, because I intervened successfully in the matter of the French school in Kingston, not very long ago. I want to see if there is a valid reason. I find it absolutely incredible, however, that suddenly, two weeks before they want to leave Canada, they are worrying about the francophones outside Quebec, who will be left to their own devices if Quebec separates.

• (1445)

But I can reassure francophones outside Quebec: do not worry. Quebecers—not the Parti Quebecois and the Bloc Quebecois—but Quebecers themselves will never drop francophones outside Quebec.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, it is nevertheless unbelievable. The Prime Minister, who claims to be the defender of francophones outside Quebec, is closing his eyes to the treatment being given francophones in southern Ontario. Is he confirming he is totally incapable of ensuring equality for francophones throughout Canada?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member patted herself on the back. This is most uncommon. I like this last minute conversion. I like it because it gives me the opportunity to say once again that there may be problems, there have always been problems, things have always been difficult, but one thing is clear: francophones outside Quebec—

An hon. member: There are none left.

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): Would the members who are francophones from outside Quebec please rise so that we can see there are still francophones outside Quebec?

Some hon. members: Hear, hear.

[*English*]

The Speaker: My colleagues, I would remind you that I am not in this game. I am the referee.

* * *

[*Translation*]

QUEBEC ECONOMY

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

According to a recent analysis by the Centre for Strategic and International Studies in Washington, an independent Quebec could acceed to the various international treaties.

Can the minister explain to us the stages and steps a country must pass through to acceed to NAFTA and to the World Trade Organization?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I can quote some of the conclusions and even produce the report. Mr. Roh's main conclusion is as follows: An independent Quebec would have no automatic entitlement to existing trade agreements such as NAFTA, the World Trade Organization agreement and the Auto Pact. Accession to these agreements would have to be negotiated.

Second conclusion: American law does not allow the President of the United States to grant an independent Quebec access to the trade advantages it enjoys at the present time as part of Canada, until such time as Congress approves and implements such accession.

In addition, it would be a long and difficult process to negotiate accession by an independent Quebec to the WTO, NAFTA and the Auto Pact. Bowing to congressional and private sector pressures, American negotiators would try to obtain changes in key sectors such as agriculture.

[*English*]

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BILL C–72

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, this entire House declared its opposition to drunkenness as a defence with the swift passage of Bill C–72.

• (1450)

The decision of the Supreme Court to hear the case of convicted child murderer Alton Royer shows clearly that the unelected Supreme Court has ignored the views of the elected members of Parliament and millions of Canadians.

We were told yesterday that the justice minister is seeking intervenor status in this case. Could the justice minister tell the House what his objective is in doing so?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the government appreciated the support of all parties in respect of Bill C–72, which changed the criminal law in this country, as all hon. members know, to make it impossible for someone to rely upon their own self–induced intoxication as an excuse when they commit crimes of violence against another involving general intent.

The case to which the hon. member refers included acts that occurred at a trial that was held prior to the enactment of Bill C–72. Therefore, when the Supreme Court of Canada grants leave to appeal in that case it will consider the case in reference to the law as it stood at the time of the alleged acts. Bill C–72 will not have any application.

Carriage of that prosecution rests, of course, with the provincial attorney general. However, as the parliamentary secretary told the House yesterday, we are considering asking the Supreme Court of Canada to allow us to intervene. If we did so, it would be to provide whatever assistance we can to the court in deciding the issue presented by that particular case.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, as it seems there is some question as to whether Bill C–72 has been effective in preventing the use of extreme intoxication as a defence, what will the justice minister do to ensure that extreme drunkenness is not used as a defence in these cases?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I should emphasize for the hon. member that Bill C–72, which has now been approved by Parliament and proclaimed in force, is the law of the land.

I would simply point out that no such criminal law amendment is retroactive, so it would not affect a case that arose in the courts prior to its enactment. The case to which the hon. member referred is proceeding on the law as it stood before Bill C–72.

I can assure the hon. member that the enactment of Bill C–72 did in fact change the criminal law in this country. It made it impossible from that date onward for anybody to rely upon their own act of intoxicating themselves to escape the consequence of criminal conduct when it involved violence against another and general intent.

* * *

[*Translation*]

FEDERAL PUBLIC SERVICE

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

According to the Official Languages Act, public servants in Ottawa–Hull have the right to work in their own language. However, in his latest report, the Commissioner of Official Languages confirmed that only 11 per cent of francophone public servants regularly write in French and that for three–quarters of francophones, English is still the only language of communication with their boss and at meetings at work.

Will the President of the Treasury Board acknowledge that the federal policy on language of work has failed pitifully in the Ottawa–Hull region and that once again, francophone employees are paying the price?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it was a Liberal government that brought in the Official Languages Act. It is a Liberal government that has in fact advanced the cause of speaking in the official language of a person's choice in the federal public service right across the country.

There is more work to be done. We have recently put out a brochure, together with the Commissioner of Official Languages, to help encourage people to use the official language of their choice at their place of work in the federal public service. We will continue to try to improve the means of using the language of choice because that is part of this government's policy.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, the choice is there, but the result is always the same.

Would the President of the Treasury Board agree that federal public servants in Quebec working in the Ottawa–Hull region are treated by the federal government as second–class citizens and that only the sovereignty of Quebec would be able to make French a language of work in government offices located in the Outaouais?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Certainly not, Mr. Speaker. I hear French and English used frequently, constantly, every day in my work. I am sure others in this government do as well.

• (1455)

We will continue to encourage people to use the official language of their choice. That is a commitment this government has made. It is made to the people of Quebec, it is made to the people of every part of this country, all francophones in Canada.

* * *

ATLANTIC GROUNDFISH STRATEGY

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans. Spending on the Atlantic groundfish strategy is spinning out of control. The Department of Fisheries and Oceans has now admitted that this year's deficit alone is $105 million.

Last week the minister announced his so–called brilliant solution was to siphon money away from the $300 million capacity reduction portion of the plan to cover the shortfall. Will the minister tell this House exactly how much of the $300 million allotted for capacity reduction will be diverted and confirm what many fishermen already suspect, that there will be no further licence buybacks?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the only thing spinning out of control, after only his second question as the new fisheries critic, is this member's credibility.

This government is consulting with fishermen's organizations, including the Canadian Council of Fish Harvesters, representing all the major fishing unions and associations right across Canada. The adjustment that has thus far been made by the Minister of Human Resources Development and by the Department of Fisheries and the Minister of Fisheries to the TAGS program has been made after consultation, a foreign concept to the Reform Party, with the fishermen's unions representatives. Any adjustments that may occur in the future will be made after the same kind of consultation.

If the member is interested in reflecting properly the reality of Atlantic Canada and the tough challenges Atlantic Canadians face, he ought to do at least a minimum of homework.

Mr. Scott (Skeena): The minister has managed to blow the hopes of Atlantic Canadians right out of the water. Capacity reductions were supposed to fix the problems of Atlantic fishermen, but this government's failure has left Atlantic Canadians with no hope for a viable future in the fishery. All they can

hope for is that the cheques from Ottawa do not run out. That is not hope, it is dependency. Atlantic Canadians deserve better.

Will the minister now admit that his attempts at capacity reduction have been an abject failure and that he has quashed the last hope of Atlantic fishermen for a livelihood in the future?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the member's question is will we admit that Atlantic Canadians are defeated. Will we buy the policy of the Reform Party to buy everyone a one–way ticket to Toronto? Will we give up on the region and see it cut and cast adrift? Will we assume that all Atlantic Canadians are losers? Will we assume there is no future for our people? Absolutely not. We are going to work to rebuild the region.

* * *

[*Translation*]

FEDERAL PUBLIC SERVICE

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, my question is directed to the President of the Treasury Board. The Public Service Alliance of Canada recently conducted several talks, unsuccessful so far, aimed at reaching an agreement with the Government of Quebec on hiring 26,000 federal public servants now residing in the Outaouais, in the event Quebec separates from Canada.

Mr. Speaker, are these promises not rather unrealistic and liable to create false hopes, considering the obvious fact that this cannot be done, administratively speaking?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the Government of Quebec is talking about a public service of the size of 110,000 people to serve a population of some 7 million, whereas after the current downsizing is completed at the federal level we will have 190,000 public servants serving a population of 28 million.

Those numbers do not add up. Federal public servants in Quebec should be very concerned about the ability for the separatists to meet those kinds of numbers. They are simply out of proportion. They are simply unbelievable. Federal public servants should beware of the false promises coming from the separatists.

* * *

• (1500)

PHARMACEUTICALS

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

Prescription drug costs comprise 17 per cent of the cost of health care. These prices have increased 13 per cent each year over the past eight years due to Bill C–91 which the Liberals opposed in opposition.

The government can save hundreds of millions of dollars yearly by doing one thing, by repealing Bill C–91 or at the very least abolishing the automatic injunction clause of the patented medicines regulation.

Why will the government not do this? Is it because pharmaceutical drug manufacturers contribute too much money to the Liberal Party?

The Speaker: The question is out of order and this concludes question period.

* * *

PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of hon. members to the presence in the gallery of His Excellency Nawab Mahammad Talpu, Minister of Agriculture of Pakistan.

Some hon. members: Hear, hear.

[*Translation*]

The Speaker: I also wish to draw the attention of the House to the presence in our gallery of Marie–Noëlle Ande Koyara, Minister of the Status of Women and National Solidarity of the Central African Republic.

Some hon. members: Hear, hear.

* * *

[*English*]

POINTS OF ORDER

EMPLOYMENT EQUITY ACT

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I draw to the attention of the House the fact that Bill C–64, an act respecting employment equity, on which we are to vote tonight has passed through the House from report stage to the conclusion of third reading in five consecutive sitting days. This is as a result of a new procedure whereby the bill went to a committee after first reading.

However I also draw to the attention of the House that the new procedure, which was instituted for the very best reasons, has made it impossible for some MPs like myself who have serious reservations about the bill at report stage to have our reservations answered by bringing witnesses to committee, because the committee no longer sits after report stage reading.

Consequently the speed with which the bill has gone through the House presents a problem for MPs who would like to see all legislation going through the House given full and due consideration so that they know how to vote in the most informed way possible.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I guess the comments of the hon. member deserve some reply. I am not sure he has raised a valid point of order, but I submit in respect of the procedure on this bill and others that are dealt with in this way that hon. members are able to go to the committee to which the bill stands referred. Hon. members are also in a position to move amendments to the bill in the House at report stage.

There was an extensive debate at report stage. There was extensive debate at third reading. Indeed third reading debate was extended today by unanimous consent because some members apparently missed an opportunity to speak last evening. The government has been most solicitous in its efforts to ensure fair and reasonable debate on all aspects of the bill.

I submit the procedure followed was correct and in accordance with the rules. If the hon. member is suggesting—although I do not think I heard it in his comments—that there was in any way a problem with the procedure, I think if he looks at it and sees what happened in the committee he will agree there was not really a point of order.

• (1505)

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I would like to speak on the point of order raised by the hon. member for Hamilton—Wentworth. We previously brought to the attention of the House the fact that legislation submitted to committee prior to second reading has not had proper analysis at the committee level and has been denied adequate debate in the House.

Once the legislation goes to committee it does not come here for second reading, one of the most extensive reviews of legislation available to members of the House. That is gone. We are limited to a 180-minute debate just to review sending the legislation to committee, not to review the contents of the legislation.

When we agreed to this change in the rules we thought the potential was there to make committee work much more meaningful. However we have experienced in committee clause by clause study of legislation that is restricted to a few seconds per clause or a minute or so per clause. Things are rammed through. Then without second reading we came to third reading where the bill is approved in principle and no further amendments could be brought forth by members.

The Speaker: This is a new procedure that the House has adopted. If there are flaws in the procedure I suggest these can probably be looked at in committee again.

The hon. member has made his point. I appreciate the interventions of both the parliamentary secretary and the member for Kindersley—Lloydminster, but this is not a point of order.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I rise on what I think is a very grave matter regarding the behaviour of the member for Burnaby—Kingsway during question period earlier today.

His heckling was excessive, was obnoxious and was extremely—

The Speaker: From time to time I have asked all members of the House to be very considerate of other members when they are either asking questions or giving answers.

The hon. member raises a case in point. I am well aware of the point he is raising. That we do not like how one member or another acts is not necessarily a point of order. In my view it is a point of debate.

I think I know where the member was going with his point. It was that all hon. members should respect one another. We should be listening to one another either when we ask questions and when we give answers. I encourage all hon. members in the House to do just that.

I think the point was well taken. It is on the table and I am aware of what it says in the book.

Mr. Epp: I want the whole world to know, Mr. Speaker.

The Speaker: I would like to let this point of order rest now.

[*Translation*]

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, during Question Period the President of the Privy Council and Minister of Intergovernmental Affairs quoted a study. Does the minister intend to table this document for the benefit of all members?

The Speaker: Is the minister—? Well, could someone go and get him?

[*English*]

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I rise on a point of order with respect to something that happened in question period. I referred primarily to the fact that prescription drugs represent 17 per cent of the cost of health care.

• (1510)

The question put to the government was why the would government not repeal Bill C-91. I perhaps elaborated more than I should have but I was attempting to give the minister a multiple choice with respect to his answer.

The Speaker: The Chair has ruled on the admissibility of the question. In the course of the question period I turn up my hearing gismos as high as I can. I try to listen to what all hon. members are saying.

It seemed to me that I did not know where the member was going in his question. It seemed to me from what I could hear and from what I could understand that the question was out of order.

The hon. member does not have a point of order now but if he would like to discuss the matter further with me, I would be happy to do so in my chambers if that is agreeable.

TABLING OF DOCUMENTS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I ask for clarification on the last tabling of a document. If documents are to be tabled a minister is allowed to do that during Routine Proceedings.

A government backbencher from Ottawa—Vanier asked for a document to be tabled. When I tried to table something last week Your Honour asked for unanimous consent. What is the problem here?

The Speaker: There is no problem really. What has happened is that when a minister quotes from a document in the House the minister can be asked to table the document.

When an ordinary member like you or me, again forgive my words, quotes from a document in the House, we need unanimous consent of the House. The rules are quite clear on that.

Do you want another clarification?

Miss Grey: Mr. Speaker, if any minister is quoting from a document we may ask for it and demand that it be tabled. Does he have the option of yes or no, that he might or might not?

The Speaker: Citation 495(1) at page 151 of Beauchesne's *Parliamentary Rules and Forms*, Sixth Edition, entitled "Documents Cited" reads:

> A Minister is not at liberty to read or quote from a dispatch or other state paper not before the House without being prepared to lay it on the table.

Therefore the minister quoted directly from a document. He was asked to lay it on the table. The House has accepted it. That is the rule.

GOVERNMENT ORDERS

[*English*]

EXCISE TAX ACT

The House resumed consideration of the motion that Bill C–90, an act to amend the Excise Tax Act and the Excise Act, be read the third time and passed.

The Speaker: Before our interesting question period the hon. member for Prince George—Bulkley Valley had the floor. He has approximately 30 minutes remaining.

Some hon. members: Thirty minutes?

The Speaker: That is what I was talking about, the heckling.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, thank you for the extra time. I am sure my colleagues will be pleased to hear that.

Before question period I was talking about some of the free spending habits of the Liberals. I pointed to the U.S. department of energy receiving $35,000 from the Liberal government. It really needed the money. The United Steelworkers of America received $116,000 from the Liberal government; Prison Art Foundation, $51,000 from the federal government; and Feminist Literacy Workers Network, $57,000 from the government.

• (1515)

This is where the taxpayer's money is going. This is what is contributing to overspending by $30 billion every year. Why are the Liberals continuing to do this, continuing in the same habits as the prior Tory government? Because all of these special interest groups that are receiving these funds year after year are constantly in Ottawa lobbying the government, talking to the government, yapping away at the government for more money, being obnoxious almost to the point the hon. member for Burnaby—Kingsway was earlier in question period. All these special interest groups are standing in line for this free wheeling, free spending handout from the Liberal government.

In order to continue these free wheeling, free spending ways, what does the Liberal government do? It simply raises taxes, as it did in the February budget. It seeks approval in Bill C–90 to increase the taxation on gasoline by a cent and a half per litre to raise another billion or two billion dollars or so. This goes on and on and on. Canadians are tired of the deficit spending of this Liberal government and they want it to stop.

Study after study after study has shown that deficit spending will not create a buoyant economy. Study after study by economist after economist has said that we cannot spend our way out of a recession. The only way we can get out of a recession is to get the economy going again, and we are not going to get the economy going if we keep increasing the taxation levels on the Canadian workers and Canadian companies. This is not rocket scientist stuff. Why can they not understand this?

One of the reasons most of the economists around the world agree with the Reform Party's method of getting this economy back in shape and getting Canada out of its fiscal crisis is that when the Reform Party stands up to talk about fiscal responsibility and curing the fiscal ills we are prepared to put it on paper, in writing, very clearly and very distinctly showing exactly how we would get the economy going again, how we would reduce taxation and reduce overspending without seriously harming the Canadian people.

The Liberal government stands up every day and calls us hackers and slashers, saying we want to cut off all these programs for the Canadian people, the programs that we never could afford in the first place but which they used year after year—and the Tories before them—to get elected.

I suggest something that is not only my own opinion but also the opinion of many economists. The biggest threat to the social programs in the country is the out of control spending by the Liberal government. The biggest threat to the social programs, to medicare, to education, and to things Canadians have come to depend on is not the fiscally responsible Reform Party on this side of the House but the out of control Liberal spenders on the other side of the House, and the Tories before them.

It is time the government got serious about getting the economy going again. It is time the government got serious about addressing the concerns the Canadian people have about the high taxation levels in this country. It is time the government got serious about what it takes to create real and long lasting jobs in this country. It is time the government got serious about its out of control deficit spending.

I cannot believe for a minute that government members ever will get serious. If they are not prepared to get serious about addressing the concerns the Canadian people have about the economy, jobs and taxation, maybe they should move over and let someone else move in who will get serious about it, the Reform Party of Canada.

• (1520)

Unfortunately the Canadian people are going to have to bear the pain for another couple of years. I wish it were over sooner, but it looks like another couple of years of out of control deficit spending.

The hon. member for Beaver River reminded me that I should never talk about out of control spending by the Liberal government without talking about the pensions. I thank the hon. member for Beaver River for walking by at the right time.

The Reform Party did the responsible thing when 98 per cent opted out of the pension, giving our personal commitment to the Canadian people that we are serious about cutting spending. We intend to save the Canadian taxpayers some $35 million by our simple act of opting out of the MP pension plan.

It is interesting to note that while 98 per cent of Reform MPs chose to opt out, chose to do the right thing, unfortunately 98 per cent of the Liberal MPs chose to stay in, chose to do the wrong thing. What kind of a message does that send to the Canadian taxpayers who are watching their disposable income shrink more and more on a daily basis? What kind of message does that send to the Canadian middle income taxpayer who is suffering under a 63 per cent tax burden on their gross income? Does that send the message to them that this government is prepared to get serious about the financial crisis we are in?

I hope that before this Parliament ends we will see the Liberal government make some distinctive, specific plan to reduce the spending habits it has, which it acquired from the Tories and which it taught to the Tories.

We have heard the Minister of Finance talk about targets, but he will never let a target stand still. He uses the phrase rolling targets. Rolling targets are a good way to set them, because if you miss them you can always blame the fact that they were not standing still.

The IMF, the C.D. Howe Institute and almost every economic think tank in Canada and many in the U.S. have sent a clear message to the Canadian government: "Get your spending in control and get your level of taxation down or you guys are going to be in a whole bunch of trouble". I hope it got the message.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am pleased to enter the debate on Bill C–90.

Some members have suggested that Bill C–90 is part of the other side of our budgetary commitments. Our budget in 1995 stated it would reduce spending by $7 for every $1 of revenue increase. Unfortunately this bill deals with the revenue increase side of that. Needless to say, most people do not like the idea of tax increases. I do not think anybody does.

One aspect of the bill reports a 1.5 cent per litre tax on the cost of gasoline. I think we are mature enough to admit that it will hurt people, small and medium size businesses that use gasoline in their business, commissioned salesmen and so on. We also realize that Canada has one of the lowest retail prices for fuel in the world. We are still very much the recipients of a very cheap fuel program in Canada.

I would like to address other aspects and areas that some of my Reform colleagues talked about today when they asked when we are going to get our spending under control. I do not know where the Reform Party has been for the last two years, but I have seen some tremendous changes in cost reductions of the federal government in the area of the civil service in particular, with 45,000 civil servants being cut from expenditure programs. I have watched the Department of Natural Resources be cut in half. There have been the bills to privatize CN Railway. There

have been bills that deal with the government's commitment to its shareholding of Petro–Canada. It goes on and on. There has been all kinds of evidence of cutting.

• (1525)

The trick about cutting, of course, is that it has to be done equitably and fairly. The whole object of program review has been to go to each department of government to try to find those areas where it is possible to cut while at the same time maintaining the very important aspect of our social fabric, the underpinning of our social network in Canada.

I am very proud to be a part of a government that took that kind of approach to deficit and debt reduction. I look at some of my colleagues, especially those in the province of Ontario, and often wonder whether they have gone through that kind of thought process and whether we have properly dealt with some of the people who can least protect themselves in society.

It is interesting to note that the Auditor General of Canada two weeks ago tabled his report, in which he questioned whether Canada's level of debt was sustainable. What does that mean? Quite frankly, if one is running a corporation, there is a level at which the debt structure compared with the income structure is so onerous that they can no longer continue and become insolvent. Indeed, some people have suggested that if we apply that test to the country we may well discover that Canada may be an insolvent nation, unable to pay off our debt. Our debt is increasing due to interest rates. As long as interest rates exceed the level of growth in the economy, we will continue to have an accumulation of debt and we will have to cut even deeper into the expenditure side of government.

Some people think we are in an endless situation. However, the government, particularly the Minister of Finance, has taken a specific course of action to reduce the debt to three per cent of the gross domestic product. That is not an end in itself. I have heard the minister say over and over again that with the concept of two–year rolling targets in fact we will continue to focus on reducing the debt on a year by year basis and go beyond the three per cent of GDP target.

There are a number of tax bills before the House. There was some interesting debate on Bill S–9, which is the Canada–U.S. tax treaty. I do not want to speak on that bill, as we are debating Bill C–90, but some of the aspects that came out of that debate were interesting. The hon. member for Kamloops was surprised that the Reform Party had accepted some of the negative aspects of the Canada–U.S. tax treaty, those things that specifically appear to assist people in the higher income groups. I wondered why the hon. member felt that way, because he also seems to be interested in the concept of tax reform and some of the Reform Party's discussions about a flat tax. I notice that the hon. member is taking part in a conference to be held later this month that deals with that area.

I would like to talk generally about the concept of a flat tax. In my mind, it also represents a form of tax change and a shift of the tax burden within the Canadian taxation system.

A lot of things the Reform Party has come out with sound simple. Why do we not have a simple system? The income tax system to many people in Canada is complex. There is no question about that. I do know, however, that less than half of the population actually requires professional help in filing their tax returns. The average person can still file a tax return without the need of an accountant or a tax lawyer. The people who require tax assistance are usually those who are in the higher income brackets. They usually are trying to take advantage of certain tax credits and tax advantages which exist in the system.

• (1530)

The whole concept of taxation is also an element in fiscal policy. The government attempts to get aspects of the economy energized by using certain tax legislation which gives advantages to certain sectors as opposed to others. I would think members of the Reform Party would be quite aware of the oil and gas sector out west. It has been greatly assisted by a number of concepts, flow through shares and other kinds of tax driven investments which have encouraged exploration.

If we look at the history of a flat tax aspect, it is interesting to note that its actual birth occurred in England. At the time it was originally brought in, it was thought of as more of an income redistribution process. It actually entertained the concept of moneys flowing from the government back into the taxpayers' hands. It was used as a method of negative income tax. It was used as a method of doing away with the multitude of social programs that existed. It used the tax system to allocate these resources to people. People in the lower income bracket would actually be net receivers from the government, looking at a guaranteed annual income or whatever that means is. Of course people over a certain means would be the net payers.

Surprisingly enough that has changed appreciably. In presentations I have heard it is especially becoming very popular in the United States. It does not talk about redistribution at all. As a matter of fact it talks about flattening the existing tax rates.

In Canada we have three basic classifications of tax rates. A flat tax essentially would eliminate that and would create one rate of tax. At the same time, as I understand the proposal, it would also eliminate certain members from the lower income stream. In a sense it is like a two rate system. Some people would not pay tax and everybody else would pay a flat tax. It does not take a lot of arithmetic if we actually sit down and start figuring it out to know who is going to pay this tax.

Some people like to say that if we took away all the benefits, all the bells and whistles from the existing system there would be so much efficiency that we would not have to change the quantum of tax. The quantum of tax would be reduced and when the smoke cleared nobody would be paying any more taxes than they were before. Some people would be paying a little less and everyone would understand the system better. Therefore it would be an efficient system.

These are all great ways to sell something but the reality is it is not true. Right now, 63 per cent of all income taxes paid in this country are being paid by the top 30 per cent of income earners. That tells us right away that the system is progressive. That is to say, as one makes more money one pays more tax.

People in the House will say they can point to somebody who is a millionaire and did not pay any tax last year. There are situations like that but the reality is they are very rare. I will repeat, because it bears witness and deserves to be repeated, the reality is that on an ongoing basis 63 per cent of all income taxes in this country are paid by the top 30 per cent of the income earners.

What happens if we do tax flattening? There is only one assumption which is that we are going to allocate tax liability away from that top 30 per cent, not to the bottom 20 per cent who do not pay any taxes at all, but we are going to shift it to the middle class. I do not have to tell anyone that the middle class is fed up with the taxes it is already paying. It thinks it is paying too much. It is those people, the two income earner families, who are going to be paying the expense of a flat tax situation.

The hon. member for Kamloops was amazed that the Reform Party would be supportive of the Canada–U.S. tax convention and some of the good things it was doing for the very wealthy in that treaty. At the same time I suggest it is the same element and the same people this party is representing who also want the flat tax.

• (1535)

The benefactors of this tax will be the very wealthy. It is not just me saying that. The U.S. Business News states that those people who earn in excess of $200,000 in the United States will be substantially better off with a 19 per cent flat tax. David Bond, an economist with the Hongkong Bank of Canada, says there will be significant income allocations of taxes with a flat tax. Most economists all over the world who have studied this will say that the flat tax is not viable mainly because it creates increased taxes for the people who can least afford them.

What is wrong with the tax system? Quite often people come along giving us solutions for the wrong problems. Yes, the existing taxation system in Canada is very complex. Does it need to be as complex as it is? No, it does not. We can get simplification in the system. Some of the simplifications are to stop fiddling and changing it every week. Every week we change some aspect of the income tax system. This constant change creates a situation where nobody understands it. If we just had a moratorium on tax changes perhaps we would understand it.

What is the main frustration people have with the taxation system? It is not so much the filling out of the forms as it is the rate of tax. People in this country are constantly referring to the fact that we have an underground economy. People will take their money to the Turks and Caicos Islands or wherever their favourite tax haven is to avoid taxes. That has nothing to do with the taxation system but it has to do with the rate and quantity of taxes we pay.

There have been countless international studies of every regime which has increased its taxes. There constantly was a correlation between an underground economy and tax evasion. The GST is another symptom of people avoiding taxes. The problem is the rate of tax. Canada's rate of taxation is the second highest in the OECD, just slightly less than that of France. When tax rates are as high as they are today we are also going to have tax evasion and tax avoidance.

Changing the system is not going to change the fact that we are bringing in about $123 billion in taxation. Our deficit and debt relationship do not allow us to change those numbers today. What we want to do of course is get on to a program of deficit and debt reduction so that somewhere after the year 2000 we can actually see a rationing down of tax rates. With that rationing down of tax rates it will create a greater confidence in our taxation system and hopefully domicile some of our lost tax revenues.

I have often been a great supporter of asking the Turks and Caicos Islands to become one of our provinces. This was the subject of a debate in this House some years ago. I have been to the Turks and Caicos and have talked to some of those people. I think it would be a great thing. We could redomicile all of those tax revenues that are now hiding down there.

The whole area of fiscal and monetary policy is very complex but the taxation system is still very much an important aspect of our fiscal tools to stimulate various aspects of the economy. The flat tax of course would eliminate that kind of manipulative approach to the economy and force the government to treat everybody much the same.

Is the forestry sector the same as the car manufacturer? Is the Saskatchewan wheat farmer the same as the Ontario beef farmer? I suspect they are not. I suspect the industries in this country, for example the oil and gas industry or the mining sector which rely heavily on capital intensive aspects of their

businesses look at rapid depreciation within their businesses which are all different and all unique.

• (1540)

We can say we do not want the mining sector and indeed that is what is happening in this country. The mining sector is going south. The mining sector says there are too many inhibitions to set up here in Canada and that it is cheaper to set up in Chile. That is because of the tax regime. We have to remember how they got going. There were also tremendous tax incentives to get those businesses started. There is not any country in the world that does not use the concept of some kind of form of favouritism of various sectors it wants to promote.

Today we want to promote our science and technology sector. Our government is now giving something like $1 billion away in scientific tax credits. These scientific tax credits are to provide an underpinning that Canada will get into the science and technology revolution which we see creating jobs in the small and medium size business sector in Canada I feel that those science and technology tax credits are misguided. They are not going to the small and medium size companies that really need them. A lot of that expenditure is being focused at the multinational level and larger corporations. It is not actually doing what we want it to do.

That is the kind of debate we need in the House. That is the kind of change to our tax system we need in order to fine tune it, so that it is working in the best interests of all Canadians and creating jobs. Simple solutions for complex problems are not going to do that.

This bill, of course which I support, is a money bill of the government and it is one necessary aspect of the 1995 budget. I am happy to be part of a government that continues on its commitment to meet its objectives which were laid out in that budget.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I will address some of the comments made by the member for Durham, specifically his attack on a flat tax. Based on the way he was making his comments I do not believe he understands what the flat tax is. The flat tax is a simple equitable system for all taxpayers. It will greatly increase the incentives to work, invest and save.

He talks about the problem in this country. The problem is the debt and the high taxation levels. It is not the deficit. We can change the deficit: just raise taxes, lower spending and it is gone any time we want to. This government is saying that the deficit is the problem and it is going to reduce the deficit to 3 per cent of GDP. The government is adding to the problem. It is digging the hole deeper by adding to the debt.

We need to look at our spending. We need to look at a way of stimulating the economy, developing a taxation system that is pro growth, something that will get the government off our backs, out of our pockets and leave us alone with more disposable income.

In the name of deficit reduction, I am getting sick and tired of government after government not addressing change in the taxation system. We need fundamental tax reform. Every other country is looking at their high rates of taxation. Every other country is doing something about it and this gentleman from Durham on the government side says it is a simplistic solution.

In the months and the year ahead, he will see that it is not a simplistic solution; it is a very complicated solution. The simple flat tax is harder than it looks. The simple flat tax is not as easy to implement as he claims the Reform Party suggests. There are a lot of items in this area that need discussion and debate. We cannot argue with the fact that if there is a broad tax base and the tax base is redistributed we could have a lower rate. A flat tax would get rid of all the tax loopholes, incentives and shelters the hon. member was talking about.

It is not income from the forestry business or the oil and gas business or wealthy people, middle income people, lower income people. A dollar is a dollar. We want to tax that dollar as little as possible. We want to broaden the base as wide as possible, so we can have the lowest maximum rate. That is what equity is. That is what fairness is.

A flat tax, whatever form it is, whether it is a pure flat tax, a proportional flat tax, a Mills flat tax, a Hall–Rabushka flat tax, whatever kind of flat tax it is, the key is that we want to protect the lower income people, people who are making minimum wage or close to minimum wage. We do not want them paying taxes. That will reduce the pressure and the strain on the social programs. Middle income earners will not be affected. They will remain relatively the same. However they are going to be happy knowing that when the tax loopholes and incentives and shelters are taken away from the wealthier people they will pay more in tax dollars even though their rate is low. That is what makes it interesting to look at a flat tax and why we should be doing so. It may sound like a simple solution but it is not.

• (1545)

A flat tax is not as simple as it looks. It is very complicated. In fact, it is harder to bring in something simple than it is to bring in something complicated.

The Minister of Justice brought in the gun control bill. It was a very complicated bill. It was a very elaborate bill, but he got it through, no problem. Is that not right?

The flat tax is going to be a very difficult tax reform to get people to look into and to look at. I would like, in my section of comments, to point out that it is not simple. I am not saying on behalf of the Reform Party that a flat tax is simple. It is just simplifying the system. That is where the merit lies. Simplifica-

tion of the taxation system will save us billions of dollars in compliance costs.

Does the member want to know what else it does, Mr. Speaker? It would also get the government out of the business of trying to micromanage the economy. It would reward initiative by leaving 75 to 80 per cent of every dollar earned in the pockets of the earner which is a better place than in the pockets of the government.

The Speaker: I would imagine the hon. member for Durham would like a counter commentary.

Mr. Shepherd: Mr. Speaker, I noticed the member reading from a piece of paper. I guess it is the hymn book of the Reform Party. I suggest that Reform members start going back and actually looking at the whole structure of taxation in Canada.

I could not believe my ears when he said it is a difficult tax, it is not simple. Then he turned around and made the statement that is so simple it is hard to get in here. I cannot quite understand his philosophy.

I am going to repeat one more key statistic. It comes from their favourite Fraser Institute. Sixty–three per cent of all income taxes in Canada are paid by the top 30 per cent of taxpayers.

It does not matter what the Reform Party members want to argue, they are not going to change that statistic. Realistically, when one starts saying that they are going to let the lower bottom people off, fine, I understand that.

There are some problems with that because you create a wall of taxation. It keeps poor people in debt. It keeps people down because they have no the way to make progress. As soon as they earn an extra dollar, they are hitting the 23 per cent tax rates. That is the philosophy of the Reform Party. Keep the poor people poor and while we are at it, let us shift the tax burden from the very wealthy, which that party represents, to middle income earners.

That is not going to fly. It is not going to fly out west and it is not going to fly down here either.

The Acting Speaker (Mr. Kilger): I know the member for Durham was telling you through me.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I am pleased to join in the debate on Bill C–90 which specifically enables the government to increase the already high levels of taxation imposed on Canadians.

It never ceases to amaze me the disregard the government seems to have for the intelligence of Canadians. This bill is an outright betrayal of the commitment in the red book or the election platform of the Liberal Party. In addition to the betrayal, the Liberals promised not to increase taxes to Canadians. There is the dishonesty, the deceit and the rhetoric surrounding the cuts that have to come and inevitably will come whoever is the government some day if we are to reach a balanced budget.

We just heard the best example of this rhetoric that we hear all the time. The member for Durham rises to join the debate on Bill C–90, a bill to increase tax levels. In his speech he says there is nothing wrong with the tax system. All that is wrong is the rates are too high, the second highest in the OECD. Yet he is speaking in support of a bill that raises the level of taxes higher. That is rhetoric and double talk and we hear so much of it.

• (1550)

I would like to discuss a couple of other examples of the betrayal of red book promises. The Liberals said during the election campaign they could solve the problems of the country simply by economic stimulation and job creation. They did not need to cut programs. They did not need to raise taxes. They could solve the problems of the nation by job creation and economic stimulation.

It is now two years into the mandate. We have seen lots of cuts in programs and services but we have not seen problems solved through economic stimulation and job creation. We consistently remind the government day after day of the GST fraud which it has imposed on people. The Deputy Prime Minister told us she would resign within a year if the GST was not gone. She is still here. I saw her in the House today.

The government tells Canadians these things during an election campaign because it knows those topics are popular and that it will get votes. The Liberals tell Canadians what they want to hear. After they get elected they abandon their promises and hope Canadians will forget them before the next election.

Another bit of dishonesty is the story the government told the federal civil service that it would not be cut, that it would protect their jobs and honour the job security clauses in their contract. We are only two years into the government's mandate and it is talking about cutting 50,000 civil servants. What happened to the commitment to the civil service? It seems to have been abandoned.

There was the promise to maintain funding for social programs. The government said that it would never slash and burn like the Reform Party proposals would do. It would protect the precious social programs, the fabric of the social safety net system. Only two years into its mandate, the government has cut and cut far worse than what would have happened under what it called our slash and burn policies. The government's measures have been even more draconian than the Reform Party ever suggested they should be. If the $7 billion cut to provincial transfers in support of social spending is not slash and burn I do not know what we could refer to it as.

I do not think Canadians are so naive or so easily deceived that they are prepared to forgive all this before the next election. The Reform Party is here to do everything it can to see the government is not forgiven. I am sure that come next election time it will have some real answering to do to the Canadian taxpayers.

I hear all the time from the other side of the House about how caring the members are, that they are not hard hearted and without compassion like the Reform Party, that they care about the human deficit. I have never heard such arrogant hypocrisy in all my life. They do not have the market cornered on compassion or caring. The very reason I became involved in the profession with the lowest regard in this country—at least outside of this place—was simply because I care and I am compassionate. I care very deeply about the things the Liberal and Conservative governments have done to the future of my children and my grandchildren in the last 30 years. That is not caring and compassion. It is selfishness. It is the me generation saying that not only will the next generation, my kids and my grandkids, have to look after themselves but the next three or four generations will be paying for the greed of this generation. That is not caring and compassion. It is the me generation.

• (1555)

Today we are debating Bill C–90 which is about tax increases. The area I wanted to talk about specifically is the 1.5 cent a litre increase in tax on gasoline. For the last 30 years every time there is a cash crunch, a squeeze, governments have turned to the cash cow, the sin taxes on alcohol, cigarettes and gasoline. It turned in a big way to gasoline in the last budget to make up the shortfall.

The finance minister made a commitment to have a ratio of tax increases to expenditure cuts that was not in the red book. As I mentioned earlier, the red book said no increase in taxation. Now we have moved to a commitment to keep it in balance, so many dollars of cuts to so many dollars of tax increase. That is a serious betrayal of an election promise.

We still have the GST that applies on top of the 1.5 cent per litre tax increase. That is the GST that was supposed to be gone. Therefore, we have a double tax increase on gasoline.

It is important for members of the House to remember where the excise tax on gasoline started. It was back in 1975 when a Liberal government placed the excise tax on gasoline. It was a special tax. It was the first time an excise tax was applied to gasoline and was to be a one–time tax. How many times have we heard that before?

This one–time tax was to cover the gap between oil import compensation payments and the oil export charge revenues. In turn, this compensation system was as a result of the 1974 decision to maintain domestic oil prices at levels below world prices.

In essence, the federal government of the day had adopted a made in Canada oil pricing policy which saw the proceeds from an export tax used to protect consumers of imported oil from the full impact of the international price. A noble intent I am sure. As we so often experience with taxation, we are shown that taxes which are meant to be one time or special or temporary, quickly have a habit of becoming permanent.

One must only refer to the imposition in 1917 of a temporary income tax and see where that has gone, how temporary it was and how complex and expensive it has become.

The same is true in every sense about the excise tax on transportation fuels. The excise tax has remained in place and its revenue objectives certainly have changed. The tax is no longer used for what it was originally intended but the tax remains and continues to be increased by 2 cents, 1 cent, 1.5 cents every budget that is presented in the last number of years. Obviously it has changed from a special tax for a specific purpose to a general tax for a source of general revenue.

In the last session of Parliament, in the natural resources committee of which I am a member, the members of the NDP introduced a proposal for the committee to study gasoline pricing in Canada. They thought there was some bogeyman causing the price of gasoline to be so high when we were facing a surplus of oil on the international market and low prices for crude oil.

It does not take a genius to look at this. There have been numerous studies over the last number of years that the bogeyman in this scenario is the government. If we look at the price of gasoline in Vancouver at 59.6 cents per litre, 28.9 cents goes directly to provincial and federal taxes. That is not oil royalties or corporate income tax, that is simply gasoline taxes hidden at the pump. The 28.9 cents leaves the remaining cost of that litre of gasoline to cover the cost of exploration, production, marketing and refining and only another 3 cents to the dealer for his costs and overhead.

• (1600)

We can give example after example of a gasoline price. The figures provided by the government's statistics for Calgary shows the price of gasoline is 52.3 per litre; 22.4 cents of that goes directly to governments in taxes, leaving only 3.5 cents for the dealer to cover his costs, with the remaining going for exploration, refining and marketing. I have example after example of almost 50 per cent of the cost of a litre of gasoline everywhere across the country being the tax on gasoline by government.

We continue to have these kinds of tax increases rammed down our throats with no choice. Because they are hidden they are often put in and the consumer does not realize the taxes have risen. The cost increases which we have seen so dramatically in the last number of years are not the result of the oil companies' getting together to fix the price of gasoline. It is the result of governments starved for cash continually coming back to that cash cow.

Members can ask their constituents if they realize what percentage of the cost of a litre of gasoline is government taxation. I will wager very few consumers realize the level of taxation. If we are to continue to tax Canadians in this way it is time we were up front and open and let Canadians see where their dollars are going.

When we look at these increases in taxation levels and what they are doing to us internationally there is an important implication of these tax increases as well. Gasoline is one of the things that gives our natural advantage which allows us to be competitive in the global marketplace to compensate for the huge distances and the expensive transportation costs we face in getting our products to market.

It is very important that we are able to take advantage of that natural advantage to compensate for other disadvantages. Our natural advantage is being seriously eroded when the Americans can come to Canada with a $1.30 dollar, buy our crude oil, take it home, refine it and sell it at almost half the price we have to pay. I do not think that is what Canadians want. I do not think that is what the government wants, to simply become and exporter of raw natural resources.

This is not the way to create jobs, to create wealth, to stimulate the economy. It is time we support Canadians industries and manufacturers and allow them to take advantage of the natural advantage we have in our abundance of natural resources.

Instead, the government seems to stick to its historical way of raising revenue, that cash cow. I suggest this poor cash cow is milking at capacity and is in danger of dying from mastitis from forced overproduction.

• (1605)

I can go on about the unfairness of this endless taxation. The government should seriously look at what it is doing to the economy through high taxation and what the debt and deficit are doing to the country.

I ask the Prime Minister and the finance minister to heed the words of F.J. Clarke that a politician thinks only of the next election; a statesman thinks of the next generation.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I want to make a few comments on Bill C–90 as it emanates from the Department of Finance and the finance minister. I will review for a few minutes what he said when he was in opposition during the last budget he criticized.

I have direct quotes from *Hansard* dated April 27, 1993: "Canadians are demanding an end to the volleys of taxation that issue from the nation's capital every spring. They are demanding that governments cease their political fiddling while our prosperity burns".

Bill C–90 is nothing more than a tax grab. It raises taxes through excise taxes. It raises taxes on gasoline. It raises taxes on air transportation from $50 to $55. It raises taxes on cigarettes. Pure and simple, it is hitting Canadians in their pockets, at the pumps and in the air.

This flies in the face of what he said. As critic to the finance department he said Canadians are demanding an end to the volleys of taxation that issue every spring. He has been in charge for the last two springs and we have sprung taxes higher, albeit he never touched our personal pocketbooks which is why we can thank him a little, but he is taxing everywhere else. Revenue Canada is even squeezing businesses and individuals on audits in every way, shape and form it can.

I have a second quote: "Canadians are demanding nothing less than an end to the political economy of governments that can neither follow the wishes of their citizens today nor bring before them the questions that must be decided tomorrow". Does the minister think Canadians want gasoline taxes to increase at the pumps? Does he think Canadians want to pay more taxes on products and goods and services? Does he think Canadians want to pay more taxes at the airport? They do not want to do that.

Does the minister think the people of Canada want the government to add to the problem of the debt? He has committed the country to bankruptcy by committing it to a 3 per cent of GDP. That is all he will reduce the deficit to? He will keep digging the hole deeper, slower than the Conservatives, but he will keep digging the hole. Is that the kind of Canada he thought Canadians were demanding, to keep adding to the problem?

Here is his chance as the finance minister to correct and follow his points of view to the letter. He has an opportunity to be in control and do the things that are required to stimulate and help the economy. He says it is through jobs. Governments do not create jobs. The private sector creates the majority of jobs, 85 per cent. Nobody disputes that. It takes consumer and investor confidence to create those jobs.

When the government keeps increasing taxes through excise taxes, personal taxes, corporation taxes, payroll taxes or property taxes, it is hurting and impeding confidence. By just talking about it, like the finance minister does, he is using smoke and mirrors to fool the Canadian public. He is doing a great disservice by making Canadians believe he is solving the problem when in fact he is adding to the problem.

I have already shown two examples of where the finance minister can do something about the very things he criticized, but he has done nothing. He keeps doing it the same way. He is defending the status quo. It is as if the Department of Finance regardless of who becomes finance minister will do it its way or no way and it is the only way. That should change.

• (1610)

I have a third quote from the finance minister: "Irregular taxation among jurisdictions has produced economic distortions, inefficient and wasteful collection costs and a perverse sense that the tax system is irrational and unfair. Canadians are prepared to pay their fair share of taxes. What they object to is when they see discrimination against them in favour of others. What they object to is when they see that the services that they have come to expect cut back and their taxes going up. There is a deep feeling that the system is warped against Canadians".

If that opinion was really believed then by the finance minister, I would like to refresh his memory. If he still believes it today what that really means is that we need to review the entire taxation system, the way we collect taxes, why we collect taxes, what those taxes are for, what the program costs are in the government.

We need to diffuse and separate tax expenditures from direct spending. Very few MPs know the total we spend on child care through the four or five various programs that exist. We do not know because we use the Income Tax Act to do it.

If we would simply use income tax as a method of raising taxes other than a personal exemption and nothing else, then decided we wanted to subsidize or support various groups, people who cannot work, who cannot help themselves, whether we want to help education or health care, all the programs we want to fund, that would be fine. We should put that under direct spending.

Then we can set the rate to raise the money we need to pay for those programs. Simplification will lower compliance costs. Simplification will satisfy the concerns he had in opposition about the tax system, the very one he is defending now, to which in his two years of tenure as finance minister he has added over 1,000 pages of clarifications, rulings and justifications so that people can understand it better.

He said it was irrational and unfair. In two years he has done nothing about it except tinker around by raising an excise tax here, trying to do that over there. He has not addressed the problem the way he could and should.

I would like to see him match his rhetoric, his belief, his ideas and deep felt conviction that the current system is unfair and allow the Standing Committee on Finance to explore fundamental tax reform for Canadians.

The time has come for that. If he really believed in what he said I challenge him to allow that kind of debate, to allow that kind of exploration to begin so that it is outside the realm of bureaucracy, so that it is outside the realm of deputy ministers who want to have it their way and only their way.

Put it back into the purview of members of Parliament who can come to the finance committee and represent their constituents' wishes and their constituents' point of view.

I am sure if he lets that happen he will find there are a lot of Canadians who would like to see tax reform. They would like to see some form of system they can understand, a system in which everybody can do their own return, in which fairness is reintroduced whereby everybody pays their proportionate share of taxes after a certain level of exemption. If I make 10 times more money than another, I pay 10 times more taxes.

Eliminate all those tax shelters and incentives that distort the economy and allow the government to manipulate and direct our social and economic lives. We have to separate the income tax system away from social and economic engineering.

I look at the comments the finance minister made in opposition because I am on the finance committee and a critic of finance. Therefore I have to go back to find out what this gentleman believed in, what he fought for, his values, where his goals and objectives lie. Now that he is finance minister he is not following his own beliefs. I do not understand that.

• (1615)

Year after year MPs say one thing to get elected and when they get elected they do another thing. I am very disappointed the Liberals have already broken about 15 promises in their read book. They said one thing to get elected and did exactly the opposite.

We commend and compliment them for some of the promises they have broken, because we know they are heading in the right direction. We know spending has to be cut and social programs have to be looked at because they represents 67 per cent of the budget. We understand that. We were hoping the government would listen to us and make those kinds of tough decisions.

However, there is room for more spending cuts. The spending cuts that could really help are those direct subsidies for business and individuals, the billions we do not need to spend.

The compliance cost of the taxation system is $12 billion in a country of 27 million people. This includes accountants hired, the audits that must be done and the cost of departments such as National Revenue and taxation: customs is at $2.2 billion; the GST group, $500 million; all the tax lawyers and services. Twelve billion dollars changing hands just to collect this money, to interpret our tax rules.

Members of the House should spend three months on tax simplification, trying to improve the system to make it more simple, more equitable and fulfil the concerns the finance minister had when he was in opposition that the tax system is irrational and unfair.

If we want to bring reason and fairness back into the system, why does he not empower the Standing Committee on Finance to do something about it? Why does he not empower all the members of the House to do something about it? It could be fixed so fast to the benefit of all Canadians. It would make so much more sense than some of the weak–kneed insignificant bills we are debating and issues we are discussing in the House right now.

I know why that is being done and why the government feels it has to do that, so I will not dwell on it. Instead of debating employment equity and legislating in the board rooms of businesses, in the offices of the private sector who must be hired and policing them to ensure it happens, a waste of time, why not introduce a system in which more people would gain confidence? More people would have a hope for the future of the country and feel the leaders, the politicians, are looking after their interests for the long term, not the short term.

We have a deficit and a debt problem but the solution is not just spending cuts and cuts and cuts. If all we ever look at is the solution we will never solve the problem.

In the name of deficit reduction too many governments are afraid to look at other means of helping businesses and creating jobs. The government cannot keep spending and stimulating the economy through direct subsidies. That has to stop. We must look at a system and a method whereby the government will get out of the business of looking after a lot of people, companies and the creation of job stimulations and helping the development of hockey rinks. Leave more money in the hands of business. I know that is a sensitive spot, Mr. Speaker. I did not mean that as a personal remark. I believe in hockey players. I enjoy watching the game.

Let us look at a way of empowering the people who know how to create jobs. Let those people and those institutions do what they do best. I think the private sector can create jobs better than the government.

It has taken about 15 years for everybody to learn this. I believe everybody in the House is beginning to recognize there is some merit in that. I am asking the finance minister to look at what he said when he was in opposition two years ago and the last budget he criticized. I am criticizing his budget and Bill C–90. I know almost everything has already been implemented. I am criticizing his role as finance minister the same way he criticized Mr. Wilson and Mr. Mazankowski.

The finance minister has an opportunity to do something about it but he is not doing anything about it. He is letting the status quo live. He is letting the Income Tax Act survive. The Income Tax Act should be explored and reviewed. We need fundamental tax reforms with the idea of lowering those marginal rates. I do not care how we make it fair, I do not care whether it is a flat tax or not. We need tax reform in a way that we can then give instant tax relief to Canadian individuals and Canadian businesses.

• (1620)

This is where we get stimulative effect on the economy. This is where we create optimism. This is where people get security. When they go to work in the morning they now know they will have a job at the end of next month. Right now that is what is lacking.

I do not care how much money the government throws at job creation, it will not work. It drives up the spending. It will actually put more pressure on increasing taxes. It works in the exact opposite way the government and the finance minister believe.

Bill C–90 is a tax grab. It is the very thing the finance minister in opposition spoke against. He wants fairness. Fairness is lowering taxes. Fairness is lowering spending. Fairness is smaller government and less intrusion. Fairness is making it more equitable for all walks and classes of life and giving hope to people, not false hope saying "come hell or high water", as he said, "we will reach our goals and objectives of 3 per cent of GDP". That is like highjumping six inches. That is not a very difficult target to reach from the high levels of spending the government has.

Another disadvantage of high taxation and spending is we are not competitive globally. We are already worse off than the States. Look at the hockey players there compared with what the hockey players get here. They all want to get paid in U.S. dollars. Why? Their tax rates are lower than ours and they even want to lower them to 17 per cent. The Americans are competitive and their free market system has worked better than ours. We have too much government involvement in our economy and we need less government intrusion, less direct government involvement and that way we would eliminate this high tax burden. The uncompetitive tax systems lead to choices by consumers which adversely affect government revenues.

I challenge the finance minister to fulfil those three promises, the concerns he had when he was opposition critic to the Department of Finance. There are three items he said he would fight for and that he believed. He felt they should be looked at. I wish the finance minister would practice what he preached.

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, I have listened with a great deal of interest and sympathy to the comments by the member from Calgary Centre. I believe the tax system is so broken that it cannot probably be fixed and that a new and innovative approach to the whole area of taxation has to be undertaken.

The member mentioned two very interesting points. One, a partial conversion I hope on behalf of the member of the Reform Party, was with respect to cuts. Throughout the election campaign and shortly after this Parliament was convened all we heard from the other side was to cut, cut, cut. What the member has said today, however, and it probably comes from having been in this place, understanding the complexity of some issues

that we do not quite get to understand on the campaign trail, is that cutting is not the answer.

Governments must do everything to ensure that each dollar spent is spent in a manner that is prudent, focused and that maximizes our wish to attain certain goals as a government and as a Parliament and as a people.

On the revenue side I agree with him. I am one of those individuals on this side of the House who believes the taxation system, albeit attempting to be fair, is inherently unfair to many. Each time we try to fix this monster created by dozens of amendments in this place by this and previous governments, it makes it even harder to attain our goal.

He mentioned single taxes and flat taxes. I agree that is a direction we have to go in. My colleague from Broadview—Greenwood in the last Parliament and this Parliament continues, and sometimes I know he must feel he is alone, to promote a different system of taxation. It is a system I supported in opposition. It is a system I supported during my campaign and it is a system I will continue to support on this side of the House.

• (1625)

The member wishes the Standing Committee on Finance would be specifically asked to review this. I do not usually wait for somebody to tell me what I can do. If there is an opportunity for me to work with other members to build a consensus across party lines, across this aisle which is only a few feet but many times feels like miles, I will rise to the challenge.

I ask the member not to wait for the mandarins at finance or for the government or for officials of his own party to say the time has come for parliamentarians to work together in a non-partisan fashion to come up with solutions. We all know what the problems are. We all try in our respective roles in opposition or government to put the best solutions forward we think can be implemented.

I throw a challenge out to him to work with me and other members on this side. I will work with him and other members on that side to look at what can be done, real tax reform, single tax, flat tax, to work together to put a challenge not just to the government but to all parliamentarians. I am prepared to put the time in. I ask the member if he would be prepared to put the time in. Canadians are looking for those types of solutions from Parliament and I think they are looking for them now.

Mr. Silye: Mr. Speaker, I thank the member opposite for his remarks. I accept his offer. I openly say in the House I will work with any member toward a simplification of the tax system, to share any of the points of view I have and to also get input from any other member as to what direction they think we should go in. The current system is not good and needs some fixing.

I know the biggest concern of Department of Finance is that in the name of simplicity we will give up fairness. The test is any new system has to be as fair as the current system.

I had discussed a single tax, a flat tax, quite a bit with the member for Broadview—Greenwood. It was reading his book four years ago that got me interested in this subject. I believe many of the problems he pointed out were true. They were true then and they are more true now.

I am not waiting for the Standing Committee on Finance. I use my opportunity to speak in the House freely to challenge the finance minister to get every committee we can on board. Even the Department of Industry should be looking at this. It controls business. The minister knows what businesses are concerned about. What can we do to attract more businesses? It is not higher taxation levels but lower taxation levels.

We are presenting various alternatives to tax proposals. The member for Capilano—Howe Sound is presenting one on October 31 at the Fraser Institute symposium in Toronto. The member for Broadview—Greenwood will be there presenting his as well. I believe there will be officials from the government there although they will be listening and not presenting anything. I believe the Conservative Party is also looking at a proposal for a flat tax. It is important that we get this movement and momentum going. In the end, in the final analysis, if we can simplify the taxation system all Canadians will benefit, which is the important target here.

In terms of my conversion, I ask the hon. member not to hold out too much hope because I am not being converted. I am just getting tired of hearing everything about cuts, cuts, cuts. If the member does not believe cuts are important why has his government made $7 billion in cuts already?

When we campaigned on cuts our point was that when we make them we should make them wisely, judiciously and quickly because they will hurt. Whether we cut $1 billion, $7 billion or $10 billion, we will end up with a lot of special interest groups riled up and upset and we will hear all the barrage just like what is happening in Ontario now in response to the 22 per cent cutback in welfare payments. All it sufficed to do was reduce the welfare payments in Ontario to the same level as everywhere else in the country. Look at some of the extremists voicing their concerns.

Cutting is important. We feel the Liberal government has not cut enough. There is still too much fat in areas where there is subsidizing failure. Those are the areas the government is not looking at. The other program cuts it has done are excellent.

The government is cutting and then spending money on infrastructure programs, building hockey rinks on direct subsidies to regional development grants to businesses. Not all but many are wasted. That money does not need to be spent by government. Cut that out. Give the equivalent tax cut to the businesses and individuals and I will guarantee that they will do more with those billions of dollars than the government will. That is the point which I am trying to make. Therefore, we need both spending cuts and a review of the taxation system. We can have tax relief at the same time. That is my argument.

• (1630)

If we really want to solve the deficit, we can. Just lower spending, raise the tax rate and the deficit is gone. However, we cannot do that. We have to ignore the deficit. It is not the 3 per cent of GDP that matters. We have to look at a way to stimulate the economy and have a pro–growth taxation system so we can apply those extra revenues to the debt. That is what is important.

I thank the member for his kind intervention.

Mr. George S. Baker (Gander—Grand Falls, Lib.): Mr. Speaker, I enjoyed listening to the hon. member. However, I am not too certain that the solution is as simple as he purports.

The corporate tax rate in Canada is 38 per cent. When provincial corporate taxes are added the average is 43.4 per cent. In the United States the tax rate is 35 per cent nationally. When state taxes are added the average is 40.3 per cent. In Japan the corporate tax rate has never been below 50 per cent. In fact, the corporate tax rate today in Japan is 52.5 per cent. The corporate tax rates in France and Germany, which are major trading partners of the largest nations in the world, in Germany range from 56 to 44 per cent, with France at 33 per cent.

The hon. member is suggesting a substantial decrease in corporate taxes, with a single rate of tax. In fact he has expanded that to personal income taxes. He suggests that there should be a simple direct rate which would be the same for everybody regardless of income. I would ask him what deductions, if any, he would allow for corporations if that were the case.

Mr. Silye: Mr. Speaker, the hon. member is quite right that the corporate tax is complicated in Canada with all the provincial and federal taxes. However, I believe that in a reform of the taxation system, businesses and individuals should be taxed at the same rate, that the income generated by individuals or businesses should only be taxed once and that the rate would be based on federal expenditures. However, we have to move expenditures under direct spending, not under tax expenditures, so we will know exactly what these programs are costing us.

When it comes to business directly, there are deductions which we can explore when looking at tax reform. Decisions have to be made. Currently we treat active and investment income the same way. The Hall–Rabushka model for a flat tax makes interest payments that are received by individuals non–taxable and non–deductible and all of the capital gains and dividends are paid at the corporate level. The corporations actually end up paying more taxes in that model.

When we explored that we found that the pure flat tax system for corporations would allow wages, benefits and salaries to be deducted, as well as input costs and the cost of sales. If they were allowed a 100 per cent write off in the year of acquisition for taxation purposes, for balance sheets purposes, they could still amortize it out or depreciate it. However, no interest deductibility on the cost of borrowing money would lower interest rates. Effectively there could be a rate of 20 per cent which would be revenue neutral.

We could probably get rid of the GST with another 4.5 per cent on that. With a rate of 24 per cent or 25 per cent it would be gone. There is a whole department gone and a half billion dollars in collection costs gone. There would then be $5 billion to $6 billion more in revenue from the corporate sector than there is now.

The trade off is that there will be CFIBs, but all businesses will be treated the same, whether they are manufacturing or high tech. Manufacturing could be 21 per cent, instead of the 38 he is talking about.

The small tax on business is a concern. The member for Broadview—Greenwood found a lot of lobby groups came to him and complained that we would lose that 12 per cent tax on the first $200,000. If we had this kind of a tax reform, where we put it out there to everyone and said: "We are looking for equity and everybody has to share in this equity", we could then have a system that is simple enough so more people could understand it. The rate could be low enough that people would work in the surface economy instead of the underground economy. It could high enough that it would generate close to the revenues that we want and need now. I do not accept the conclusions of economists who say that we have to be revenue neutral right now. I argue that if I am a little bit short the money will come through the effect of the growth in the economy. If it is combined with more spending cuts, if we spend the money on behalf of businesses, if we give people the money to start a business, we are—

• (1635)

The Acting Speaker (Mr. Kilger): Order. It is with great hesitation that I interrupt the question and comment period. The full time has elapsed. I must ask for a resumption of debate.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, a division on the question now before the House stands deferred until five o'clock today, at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

LAW COMMISSION OF CANADA ACT

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved that Bill C–106, an act respecting the Law Commission of Canada, be read the second time and referred to a committee.

He said: Mr. Speaker, I rise to speak in connection with Bill C–106. May I say at the outset that by tabling this bill the government fulfils a commitment which it made during the campaign of 1993, a commitment that was expressed clearly in the red book to restore the important machinery for law reform that had been abolished by the previous government.

This bill fulfils that commitment by creating a new body to be known as the Law Commission of Canada, a commission whose objective would be continuously to monitor the evolution of Canadian law, to advise the government, and Parliament, on its improvement and modernization, and to do so in a manner that would reflect our unique bijuridical system of law: the common law and the civil code.

[*Translation*]

In short, this Commission will play a major role in fulfilling the responsibility—common to every generation—of keeping Canadian law relevant to the needs and conditions of our time. The task is a much more difficult and complex one than it was in the early 1970s, when the former Law Reform Commission was formed.

[*English*]

Now in the mid–1990s we are swept along on a tide of social change, change involving technology, change involving social life itself. In some areas, these transformations have rendered existing law either obsolete or inadequate. In others, we confront issues that have not yet been addressed by law or by precedent.

• (1640)

It is the view of the government that we need a commission with respect to law, a commission that is independent and objective to provide informed commentary to government on the directions it should take.

Let me provide some examples to hon. members about the kinds of challenges to which I refer. One is the increased risk and incidence of economic crime flowing from the application of computer technology in financial markets, the way funds are transferred from person to person and, indeed, from continent to continent. Another is the steady parade of new questions that accompany the commercialization of biotechnology. A third is the emergence of issues raised by the mass application of new information technology, such as the use of the Internet for hate messages or pornography.

In addition, there are issues that concern the functioning of the criminal justice system itself, including the effectiveness of that system or the effectiveness of incarceration for certain offences as compared with other sanctions.

[*Translation*]

To compound the challenge, these issues are emerging at a time of profound social and political change. In many respects, Canadians are not the same people they were a quarter of a century ago.

The charter of rights and freedoms has changed the way we look at the law and at each other. People are no longer content to leave government to politicians and bureaucrats, and law to lawyers. They insist on having a hand in decisions which affect their lives.

[*English*]

Something else that is different in the 1990s is the fiscal environment. We must cope with these challenges with drastically reduced budgets. The quality of every option and of every decision must be tested not only for theoretical effectiveness but also for financial feasibility.

For all these reasons, the government is not proposing in Bill C–106 a restoration of the last Law Reform Commission brick by brick. We propose the creation of an entirely new institution, a new kind of institution, to deal with new issues in new ways.

The law commission visualized in Bill C–106 will first of all be an independent and accountable body working at arm's length from government and operating in a mode that matches the challenges and the constraints of our time, that is to say, it will

work with the windows open. It will make law reform a visible, understandable process in which not just legal professionals but Canadians in every walk of life can play their part.

Furthermore, because of its structure, the commission will not be remote or isolated. Last but not least, it will approach its task with a vigilant attention to cost.

The principles that will govern the make-up of a commission and guide it in its work are set out in the preamble of Bill C-106. The House should know that these principles were not developed in a theoretical test tube. They emerged in a rigorous nationwide consultation that preceded the drafting of the bill. They reflect the synthesized thinking of many disciplines, sectors and groups. These are the characteristics that Canadians tell us the process must embody if it is to work effectively.

The first principle is related to the unwritten goal of every aspect of this work, the building and the maintenance of confidence in our system of justice. To that end, this principle points to the need to democratize and demystify the making and remaking of the law.

It provides that the commission must be transparent, must involve disparate interests in its work. The door to the workshop of law reform must be open to all who want to watch or join in the process. The results of that work must be available for inspection by all in a form understandable by all.

• (1645)

The second principle is that the commission must not only have keen foresight, it must also have wide peripheral vision. It must see the challenges of law reform in their full social and economic context. To achieve this end, the commission will have to be multi-disciplinary in its approach. It will focus not just legal expertise on the issues, although that will be needed, but the talent and training of all the relevant disciplines—for example, in economics, in technology, in the social and natural sciences, in the field of law enforcement.

The third principle is that the commission should be responsive and accountable. Specifically, it should forge partnerships with a wide range of interested groups and in particular with the academic community. The law is never static. Only in this way can the commission keep ahead of endless change to avoid gaps or duplication in agendas and to make the most of limited resources.

[*Translation*]

The fourth principle is one that would have seemed odd in legislation drafted 25 years ago, but seems perfectly natural today.

It is a requirement that the Commission, as it tackles today's tasks, employ today's technologies, wherever it is appropriate to do so. The Commission must take advantage of the capabilities of new tools and new methods, particularly in information technology. This is essential to success in every aspect of the Commission's operations—to its ability to share work with other groups and institutions—and to operate effectively within its modest budget.

[*English*]

The fifth principle relates to the overriding requirement that we arrive at solutions we can pay for. This principle requires that the commission in its deliberations must never fail to consider the elements of cost and economic impact. This too is a matter of relevance in the 1990s.

These then are the five principles as set forth in the preamble. There is a sixth, which may not be spelled out expressly but which hon. members will find implicit throughout the statute. That is to say, the requirement for balance, the need for the commission to be both independent of government in its decisions and accountable to the public for its actions. This principle and indeed all the others find expression in the structure of the commission as set forth in clause 7 of the bill. Let me touch briefly on that structure.

The executive branch of the Law Commission would be appointed by order in council. It would comprise five members, a full-time president and four part-time commissioners, who may all be drawn from different disciplines. In terms of size, it seems to me this is the balance we need: large enough to be diverse, but small enough to be decisive.

The fact that four of the five commissioners will serve part time has many important advantages. First of all, it means that these individuals will not run the risk of becoming isolated from the world beyond the national capital region. They will retain their roots in their home communities and in the sectors they represent and their careers will not be interrupted. There is another benefit. It will make it easier for government to attract the calibre of person we want on such a commission to join in the work of law reform.

The second element is an advisory council made up of 25 members representing a variety of viewpoints and disciplines and backgrounds. All of these people will serve as unpaid volunteers, except for reimbursement of expenses. This arrangement supports the independence of the process. The council will be appointed by the commission, not by the government, and the commission, not the government, will be the client of the council.

The third component also fosters independence of the whole. It comprises the study panels that the commission will set up as required to focus on specific issues. Each panel would be headed by one of the commissioners and the other panel members would be drawn from the relevant disciplines or interested groups. For instance, a study panel on biotechnology might include repre-

sentatives of the industry, the health sciences, consumer groups, and the legal profession.

• (1650)

The use of these panels will also contribute to the cost–effectiveness of the process. These bodies will be transient rather than permanent. They will come into being as the issues emerge. They will then do their work and they will disband. Panel members will perform this public service on a voluntary, unpaid basis.

These then are the components of the Law Commission of Canada as proposed in Bill C–106. The structure is simple. It is also economical. The commission will be served by a small secretariat of no more than eight people. Instead of retaining an in–house staff to conduct studies, the commission will contract for research from outside sources. In this way we will avoid duplicating the effort of provincial reform bodies or work being done in the academic communities. As a result, the commission will be highly cost–effective.

Although the last law reform commission, abolished by the previous government, cost $5 million a year to run, the law commission proposed in Bill C–106 will have a budget of $3 million, all of which will be found through a redeployment of existing funds. It seems to me that we can be confident of getting the job done within these constraints because of the new commission's composition and because of the way it is approaching its work: the use of new technology, a commitment to partnership endeavours, and the reliance on voluntary advisers and panel members.

That brings me to my final observation. The legislation would give the new commission a mandate to explore and to innovate. That requirement is explicit in the purpose section of the bill, which provides that the commission's tasks will include the development of new approaches to law and new concepts of law.

What does that mean? Among other things, it means that the commission will not feel compelled to recommend as the solution for every problem a new law or even an amended law. Its mandate requires the commission to look at the full range of options. It is vitally important that it do so. One of the most urgent challenges of law reform is to cope with change without creating an impassable morass of litigation, administration, and enforcement.

The system is close to being overburdened now. A primary goal of the commission will be not only to avoid increasing that load but indeed to lighten it. As the purpose section of the bill provides, the commission's task will include, "the development of measures to make the legal system more efficient, economical and accessible".

As to the balance in that architecture of independence and accountability, obviously both elements are indispensable: independence because the value of the commission will depend in large part on its ability to provide expert impartial advice to the government on legislative programs and policies; accountability because the commission will be a public body serving the people of Canada, and as such it must answer to the people and their elected representatives for the conduct of its affairs and the quality of its work.

I believe these principles are reflected in the arrangements the bill describes. The commission will submit its reports and recommendations to Parliament through the Minister of Justice of the day. That minister must forward these products of the commission to Parliament untouched, unaltered, and must respond to them in a specific period. On the other hand, the responsibility for the final decision about their disposition remains, as of course it must, with the government.

[*Translation*]

Hon. members will find balance built into not just the general design but the details of this legislation. One example is to be found in the sections under the heading "Purpose, Powers and Duties of Commission". The Commission will draw up its own agenda—but will consult with the Minister of Justice before finalizing it.

[*English*]

The legislation would also require the minister to consult with the commission before referring other matters to it for consideration.

• (1655)

As I have said, the essential purpose of the bill is to bring a wide–ranging integrated approach to the reform of Canadian law. The law is more than a book of statutes. It is a living thing, a presence in our individual lives. The law is also the infrastructure of our social and economic life. Seen in that context, the task of law reform is part of the wider work of nation building, of advancing our collective and individual well–being, of building social harmony, improving our competitiveness, our standard of living, our quality of life, and our relations with each other.

It was in the 18th century that the British jurist Lord Mansfield said that as the usages of society alter the law must adapt itself to the changing needs of all. At the end of the 20th century that is still the task. I suggest that the instrument proposed in Bill C–106 will help us meet that continuing challenge.

[*Translation*]

The Acting Speaker (Mr. Kilger): Before yielding the floor to the hon. member for Saint–Hubert, may I suggest to the House that we call it 5 p.m.?

Some hon. members: Agreed.

EMPLOYMENT EQUITY ACT

The House resumed from October 17 consideration of the motion that Bill C–64, an act respecting employment equity, be now read the third time and passed.

The Acting Speaker (Mr. Kilger): It being 5 p.m., pursuant to Standing Order 45(5), the House will now proceed to a deferred division at the third reading stage of Bill C–64, an act respecting employment equity.

Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 349)

YEAS

Members

Adams
Althouse
Augustine
Baker
Bélanger
Bellemare
Bertrand
Bevilacqua
Blaikie
Bodnar
Boudria
Caccia
Campbell
Caron
Clancy
Collenette
Comuzzi
Cowling
Culbert
DeVillers
Dromisky
Duhamel
Dupuy
Eggleton
Fewchuk
Fontana
Gaffney
Gallaway
Gerrard
Grose
Harb
Harvard
Hopkins
Ianno
Irwin
Jordan
Knutson
Landry
Laurin
LeBlanc (Cape/Cap–Breton Highlands—Canso)
Leroux (Richmond—Wolfe)
Loney
MacLellan (Cape/Cap–Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McLaughlin
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunez
O'Brien
Pagtakhan
Peric
Peterson
Picard (Drummond)
Pillitteri
Regan
Rideout
Alcock
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Bélair
Bellehumeur
Bernier (Beauce)
Bethel
Bhaduria
Blondin–Andrew
Bonin
Brushett
Calder
Cannis
Catterall
Cohen
Collins
Copps
Crawford
de Savoye
Dhaliwal
Dubé
Dumas
Easter
English
Finlay
Fry
Gagliano
Gauthier
Gray (Windsor West/Ouest)
Guarnieri
Harper (Churchill)
Hickey
Hubbard
Iftody
Jackson
Kirkby
Kraft Sloan
Lastewka
Lavigne (Beauharnois—Salaberry)
Lee
Leroux (Shefford)
MacDonald
Malhi
Manley
Marleau
McCormick
McKinnon
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Minna
Murphy
Nault
Nunziata
O'Reilly
Parrish
Peters
Phinney
Pickard (Essex—Kent)
Proud
Richardson
Riis
Ringuette–Maltais
Rock
Serré
Simmons
Solomon
St–Laurent
Stewart (Northumberland)
Taylor
Thalheimer
Torsney
Ur
Vanclief
Verran
Walker
Whelan
Young
Robinson
Sauvageau
Sheridan
Skoke
Speller
Stewart (Brant)
Szabo
Terrana
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Volpe
Wells
Wood
Zed —156

NAYS

Members

Abbott
Benoit
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Chatters
Epp
Gilmour
Grey (Beaver River)
Hanrahan
Harris
Hayes
Hill (Macleod)
Jennings
Kerpan
Meredith
Morrison
Ramsay
Schmidt
Silye
Strahl
Williams—41
Ablonczy
Breitkreuz (Yellowhead)
Bridgman
Bryden
Duncan
Frazer
Gouk
Grubel
Harper (Simcoe Centre)
Hart
Hermanson
Hoeppner
Johnston
Mayfield
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Wayne

PAIRED MEMBERS

Anawak
Bachand
Barnes
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Brown (Oakville—Milton)
Cauchon
Chan
Crête
Daviault
Dingwall
Duceppe
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godin
Guay
Jacob
Lalonde
Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)
Lincoln
MacAulay
Maheu
Martin (Lasalle—Émard)
Mercier
Pagtakhan
Paré
Payne
Scott (Fredericton—York—Sunbury)
Asselin
Bakopanos
Bélisle
Bernier (Gaspé)
Bertrand
Brien
Canuel
Chamberlain
Chrétien (Frontenac)
Dalphond–Guiral
Debien
Discepola
Finestone
Godfrey
Graham
Guimond
Keyes
Langlois
Lebel
Lefebvre
Loubier
Maclaren
Marchand
Ménard
Ouellet
Paradis
Patry
Robillard
St. Denis

• (1725)

[*English*]

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

CANADA–UNITED STATES TAX CONVENTION ACT, 1984

The House proceeded to the consideration of Bill S–9, an act to amend the Canada–United States Tax Convention Act, 1984, as reported (with amendment) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the deferred divisions at report stage of Bill S–9, an act to amend the Canada—United States Tax Convention Act, 1984.

The first question is on Motion No. 1.

Mr. Boudria: Mr. Speaker, if you were to seek it you might find unanimous consent. One or two members may wish to vote otherwise, but you might find consent for the members who voted on the previous motion to be recorded as having voted on the motion now before the House, with Liberal members voting nay on this motion.

Mr. Baker: Mr. Speaker, I certainly would not give unanimous consent to vote the same way as other Liberal members on the bill, in fact not the same way as the Reform or the Bloc will vote on the bill.

The Acting Speaker (Mr. Kilger): I wonder if I might ask for clarification from the hon. member for Gander—Grand Falls. Is he stating his own intention of voting or is he also declining the unanimous consent?

Mr. Baker: Mr. Speaker, I moved the motion so obviously I would support Motion No. 1.

On Motion No. 2 perhaps there are other members who may feel the same way as I do about the amendments I have put forward so I would suggest that the vote proceed.

The Acting Speaker (Mr. Kilger): There is not unanimous consent.

(The House divided on Motion No. 1, which was negatived on the following division:)

(Division No. 350)

YEAS

Members

Althouse
Blaikie
Easter
Nunziata
Robinson
Solomon
Baker
Caccia
McLaughlin
Riis
Simmons
Taylor—12

NAYS

Members

Abbott
Alcock
Augustine
Bélair
Bellehumeur
Benoit
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brushett
Calder
Cannis
Catterall
Cohen
Collins
Copps
Crawford
de Savoye
Dhaliwal
Duhamel
Duncan
Eggleton
Epp
Finlay
Frazer
Gaffney
Gallaway
Gerrard
Gouk
Grey (Beaver River)
Grubel
Hanrahan
Harper (Churchill)
Harris
Harvard
Hermanson
Hill (Macleod)
Hopkins
Irwin
Jennings
Jordan
Kirkby
Kraft Sloan
Lastewka
Lavigne (Beauharnois—Salaberry)
Lee
Leroux (Shefford)
MacDonald
Malhi
Manley
Marleau
Mayfield
McKinnon
McTeague
Meredith
Mills (Broadview—Greenwood)
Mitchell
Murphy
Nault
O'Brien
Pagtakhan
Penson
Peters
Phinney
Pickard (Essex—Kent)
Proud
Regan
Ringma
Sauvageau
Scott (Skeena)
Sheridan
Skoke
Speller
Stewart (Brant)
Strahl
Terrana
Tobin
Ablonczy
Assadourian
Axworthy (Winnipeg South Centre/Sud–Centre)
Bélanger
Bellemare
Bernier (Beauce)
Bethel
Bhaduria
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud–Est)
Bryden
Campbell
Caron
Chatters
Collenette
Comuzzi
Cowling
Culbert
DeVillers
Dubé
Dumas
Dupuy
English
Fewchuk
Fontana
Fry
Gagliano
Gauthier
Gilmour
Gray (Windsor West/Ouest)
Grose
Guarnieri
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hoeppner
Iftody
Jackson
Johnston
Kerpan
Knutson
Landry
Laurin
LeBlanc (Cape/Cap–Breton Highlands—Canso)
Leroux (Richmond—Wolfe)
Loney
MacLellan (Cape/Cap–Breton—The Sydneys)
Maloney
Marchi
Massé
McCormick
McLellan (Edmonton Northwest/Nord–Ouest)
McWhinney
Milliken
Mills (Red Deer)
Morrison
Murray
Nunez
O'Reilly
Parrish
Peric
Peterson
Picard (Drummond)
Pillitteri
Ramsay
Rideout
Rock
Schmidt
Serré
Silye
Solberg
St–Laurent
Stewart (Northumberland)
Szabo
Thalheimer
Torsney

Tremblay (Rimouski—Témiscouata)	Ur
Valeri	Vanclief
Venne	Volpe
Walker	Wayne
Whelan	Williams
Wood	Young—172

PAIRED MEMBERS

Anawak	Asselin
Bachand	Bakopanos
Barnes	Bélisle
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Bouchard	Brien
Brown (Oakville—Milton)	Canuel
Cauchon	Chamberlain
Chan	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Daviault	Debien
Dingwall	Discepola
Duceppe	Finestone
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Godfrey
Godin	Graham
Guay	Guimond
Jacob	Keyes
Lalonde	Langlois
Lavigne (Verdun—Saint-Paul)	Lebel
Leblanc (Longueuil)	Lefebvre
Lincoln	Loubier
MacAulay	Maclaren
Maheu	Marchand
Martin (Lasalle—Émard)	Ménard
Mercier	Ouellet
Pagtakhan	Paradis
Paré	Patry
Payne	Robillard
Scott (Fredericton—York—Sunbury)	St. Denis

• (1735)

The Acting Speaker (Mr. Kilger): I declare Motion No. 1 lost.

[*Translation*]

The next question is on Motion No. 2.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe that you would find unanimous consent in the House to apply the vote just completed on Motion No. 1 to Motion No. 2.

Mr. Laurin: Mr. Speaker, the Bloc members will vote nay.

[*English*]

Mr. Ringma: All right thinking Reformers will also vote no.

Mr. Solomon: Mr. Speaker, all New Democrats present in the House this afternoon will be voting yea on this motion.

Mrs. Wayne: Mr. Speaker, all the PCers will be voting nay.

Mr. Bhaduria: Mr. Speaker, I will be voting against this motion.

Mr. Baker: Mr. Speaker, I rise on a point of order. I presume you will have me down as voting in favour of the motion. That is exactly what I want, and in case any other members want to do the same thing they are free to do so.

The Acting Speaker (Mr. Kilger): In response to the intervention by the hon. member for Gander—Grand Falls, the vote just taken on Motion No. 1 will be applied to Motion No. 2. Is that agreed?

Mr. Ianno: Mr. Speaker, on this motion I would like to vote contrary to what I did on the last vote.

The Acting Speaker (Mr. Kilger): The Chair will need some clarification from the hon. member for Trinity—Spadina. Could he could be more specific? Is he voting yea or nay?

Mr. Ianno: I am voting for the amendment. I am voting yea.

• (1740)

Miss Grey: Mr. Speaker, I have a question. I know we are applying votes in the interest of saving time and that is great. However I am wondering about the members who leave.

There were members who voted on the first one. Will there names automatically appear? Who knows who has left? Can they leave after one vote and then just have their names on the list for the rest of the night?

The Acting Speaker (Mr. Kilger): In response to the hon. member for Beaver River, unless we have a very definite way of doing things such as through a roll call, the Chair assumes that members would be staying for the subsequent vote that would be applied.

Mr. Nunziata: Mr. Speaker, I rise on a point of order. It is a fundamental principle of the House, and you are the guardian of the principles of the House, that in order to be recorded as voting on a matter the member's presence is required in the House.

Is the hon. member opposite indicating that certain members left the House?

An hon. member: That is right.

Mr. Nunziata: Then I do not see, Mr. Speaker, how you can apply a previously held vote to this vote when certain members have left.

If you take that position, I would suggest that you are setting an unfortunate precedent and that in future when this type of approach is taken to multiple votes in the House it would be open for any member to leave the House once the first vote is taken and to have his or her vote applied to each and every other vote taken in the House.

I would ask that you reconsider that position.

Mr. Solomon: Mr. Speaker, I rise on the same point of order. I wish to inform the Speaker and the House that when this arrangement was made for the sake of speeding up the vote it was assumed that all members would remain in the House during the course of the speeding up of the vote.

I support the contention of the hon. member opposite that if this precedent is set it would be unfavourable and unacceptable to the NDP caucus.

Mr. Boudria: Mr. Speaker, I respectfully suggest that you take the vote row by row, as usual, on report stage Motion No. 2. Hopefully that will get the process started again.

The Acting Speaker (Mr. Kilger): I just want to set the record straight if I misled any member of the House. I have no dispute whatsoever with the hon. member for York South—Weston, the hon. member for Regina—Lumsden or any other member with respect to the tradition of the House. I was simply trying to clear the air by saying that yes, the Chair assumes members are staying.

Unless we can actually verify the absence of someone clearly and definitely, obviously the best measure is to take the advice of the chief government whip and take the vote on Motion No. 2.

(The House divided on Motion No. 2, which was negatived on the following division:)

(Division No. 351)

YEAS

Members

Althouse
Blaikie
Easter
McLaughlin
Nunziata
Robinson
Solomon
Wells —15

Baker
Caccia
Ianno
Minna
Riis
Simmons
Taylor

NAYS

Members

Abbott
Adams
Assadourian
Bélair
Bellehumeur
Benoit
Bertrand
Bhaduria
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Bryden
Campbell
Caron
Chatters
Collenette
Comuzzi
Cowling
Culbert
DeVillers
Dromisky
Duhamel
Duncan

Ablonczy
Alcock
Augustine
Bélanger
Bellemare
Bernier (Beauce)
Bethel
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brushett
Calder
Cannis
Catterall
Cohen
Collins
Copps
Crawford
de Savoye
Dhaliwal
Dubé
Dumas
Dupuy

Eggleton
Epp
Finlay
Frazer
Gaffney
Gallaway
Gerrard
Gouk
Grey (Beaver River)
Grubel
Hanrahan
Harper (Churchill)
Harris
Harvard
Hermanson
Hill (Macleod)
Hopkins
Irwin
Jennings
Jordan
Kirkby
Kraft Sloan
Lastewka
Lavigne (Beauharnois—Salaberry)
Lee
Leroux (Shefford)
MacDonald
Malhi
Manley
Marleau
McCormick
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Milliken
Mills (Red Deer)
Morrison
Murray
Nunez
O'Reilly
Parrish
Peric
Peterson
Picard (Drummond)
Pillitteri
Ramsay
Rideout
Rock
Schmidt
Serré
Silye
Solberg
St-Laurent
Stewart (Northumberland)
Szabo
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Walker
Whelan
Wood

English
Fewchuk
Fontana
Fry
Gagliano
Gauthier
Gilmour
Gray (Windsor West/Ouest)
Grose
Guarnieri
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hoeppner
Iftody
Jackson
Johnston
Kerpan
Knutson
Landry
Laurin
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leroux (Richmond—Wolfe)
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Mayfield
McKinnon
McTeague
Meredith
Mills (Broadview—Greenwood)
Mitchell
Murphy
Nault
O'Brien
Pagtakhan
Penson
Peters
Phinney
Pickard (Essex—Kent)
Proud
Regan
Ringma
Sauvageau
Scott (Skeena)
Sheridan
Skoke
Speller
Stewart (Brant)
Strahl
Thalheimer
Torsney
Ur
Vanclief
Volpe
Wayne
Williams
Young—170

PAIRED MEMBERS

Anawak
Bachand
Barnes
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Brown (Oakville—Milton)
Cauchon
Chan
Crête

Asselin
Bakopanos
Bélisle
Bernier (Gaspé)
Bertrand
Brien
Canuel
Chamberlain
Chrétien (Frontenac)
Dalphond-Guiral

Daviault
Dingwall
Duceppe
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godin
Guay
Jacob
Lalonde
Lavigne (Verdun—Saint-Paul)
Leblanc (Longueuil)
Lincoln
MacAulay
Maheu
Martin (Lasalle—Émard)
Mercier
Pagtakhan
Paré
Payne
Scott (Fredericton—York—Sunbury)
Debien
Discepola
Finestone
Godfrey
Graham
Guimond
Keyes
Langlois
Lebel
Lefebvre
Loubier
Maclaren
Marchand
Ménard
Ouellet
Paradis
Patry
Robillard
St. Denis

• (1750)

The Acting Speaker (Mr. Kilger): I declare Motion No. 2 negatived.

Hon. Douglas Peters (for the Minister of Finance) moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 352)

YEAS

Members

Abbott
Adams
Assadourian
Bélair
Bellehumeur
Benoit
Bertrand
Bhaduria
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast/Sud-Est)
Bryden
Calder
Cannis
Catterall
Cohen
Collins
Copps
Crawford
de Savoye
Dhaliwal
Dubé
Dumas
Ablonczy
Alcock
Augustine
Bélanger
Bellemare
Bernier (Beauce)
Bethel
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brushett
Caccia
Campbell
Caron
Chatters
Collenette
Comuzzi
Cowling
Culbert
DeVillers
Dromisky
Duhamel
Duncan
Dupuy
Eggleton
Epp
Finlay
Frazer
Gaffney
Gallaway
Gerrard
Gouk
Grey (Beaver River)
Grubel
Hanrahan
Harper (Churchill)
Harris
Harvard
Hermanson
Hill (Macleod)
Hopkins
Ianno
Irwin
Jennings
Jordan
Kirkby
Kraft Sloan
Lastewka
Lavigne (Beauharnois—Salaberry)
Lee
Leroux (Shefford)
MacDonald
Malhi
Manley
Marleau
McCormick
McKinnon
McTeague
Meredith
Mills (Broadview—Greenwood)
Minna
Morrison
Murray
Nunez
O'Reilly
Parrish
Peric
Peterson
Picard (Drummond)
Pillitteri
Ramsay
Rideout
Rock
Schmidt
Serré
Silye
Solberg
St-Laurent
Stewart (Northumberland)
Szabo
Thalheimer
Torsney
Ur
Vanclief
Verran
Walker
Wells
Williams
Young—179
Easter
English
Fewchuk
Fontana
Fry
Gagliano
Gauthier
Gilmour
Gray (Windsor West/Ouest)
Grose
Guarnieri
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hoeppner
Hubbard
Iftody
Jackson
Johnston
Kerpan
Knutson
Landry
Laurin
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leroux (Richmond—Wolfe)
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Mayfield
McGuire
McLellan (Edmonton Northwest/Nord-Ouest)
McWhinney
Milliken
Mills (Red Deer)
Mitchell
Murphy
Nault
O'Brien
Pagtakhan
Penson
Peters
Phinney
Pickard (Essex—Kent)
Proud
Regan
Ringma
Sauvageau
Scott (Skeena)
Sheridan
Skoke
Speller
Stewart (Brant)
Strahl
Terrana
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Volpe
Wayne
Whelan
Wood

NAYS

Members

Althouse
McLaughlin
Robinson
Taylor—7
Blaikie
Riis
Solomon

PAIRED MEMBERS

Anawak	Asselin
Bachand	Bakopanos
Barnes	Bélisle
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Bouchard	Brien
Brown (Oakville—Milton)	Canuel
Cauchon	Chamberlain
Chan	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Daviault	Debien
Dingwall	Discepola
Duceppe	Finestone
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Godfrey
Godin	Graham
Guay	Guimond
Jacob	Keyes
Lalonde	Langlois
Lavigne (Verdun—Saint-Paul)	Lebel
Leblanc (Longueuil)	Lefebvre
Lincoln	Loubier
MacAulay	Maclaren
Maheu	Marchand
Martin (Lasalle—Émard)	Ménard
Mercier	Ouellet
Pagtakhan	Paradis
Paré	Patry
Payne	Robillard
Scott (Fredericton—York—Sunbury)	St. Denis

• (1800)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

* * *

EXCISE TAX ACT

The House resumed consideration of the motion that Bill C-90, an act to amend the Excise Tax Act and the Excise Act, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the third reading stage of Bill C-90, an act to amend the Excise Tax Act and the Excise Act.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 353)

YEAS

Members

Adams	Alcock
Assadourian	Augustine
Baker	Bélair
Bélanger	Bellemare
Bertrand	Bethel
Blondin-Andrew	Bodnar
Bonin	Boudria
Brushett	Bryden
Caccia	Calder
Campbell	Cannis
Catterall	Clancy
Cohen	Collenette
Collins	Comuzzi
Copps	Cowling
Crawford	Culbert
DeVillers	Dhaliwal
Dromisky	Duhamel
Dupuy	Easter
Eggleton	English
Fewchuk	Finlay
Fontana	Fry
Gaffney	Gagliano
Gallaway	Gerrard
Gray (Windsor West/Ouest)	Grose
Guarnieri	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Jordan
Kirkby	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
Maloney	Manley
Marchi	Marleau
McCormick	McGuire
McKinnon	McLellan (Edmonton Northwest/Nord-Ouest)
McTeague	McWhinney
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Murphy	Murray
Nault	Nunziata
O'Brien	O'Reilly
Pagtakhan	Parrish
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Regan
Richardson	Rideout
Ringuette-Maltais	Rock
Serré	Sheridan
Skoke	Speller
Stewart (Brant)	Stewart (Northumberland)
Szabo	Terrana
Thalheimer	Tobin
Torsney	Ur
Valeri	Vanclief
Verran	Volpe
Walker	Wells
Whelan	Wood
Young—125	

NAYS

Members

Abbott	Ablonczy
Althouse	Bellehumeur
Benoit	Blaikie
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Bridgman	Brown (Calgary Southeast/Sud-Est)
Caron	Chatters
de Savoye	Dubé
Dumas	Duncan
Epp	Frazer
Gauthier	Gilmour
Gouk	Grey (Beaver River)
Grubel	Hanrahan
Harper (Simcoe Centre)	Harris
Hart	Hayes
Hermanson	Hill (Macleod)
Hoeppner	Jennings
Johnston	Kerpan
Landry	Laurin
Lavigne (Beauharnois—Salaberry)	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Mayfield
McLaughlin	Meredith
Mills (Red Deer)	Morrison
Nunez	Penson
Picard (Drummond)	Ramsay
Riis	Ringma
Robinson	Sauvageau
Schmidt	Scott (Skeena)
Silye	Solberg
Solomon	St-Laurent
Strahl	Taylor
Tremblay (Rimouski—Témiscouata)	Venne
Wayne	Williams—64

PAIRED MEMBERS

Anawak	Asselin
Bachand	Bakopanos
Barnes	Bélisle
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Bouchard	Brien
Brown (Oakville—Milton)	Canuel
Cauchon	Chamberlain
Chan	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Daviault	Debien
Dingwall	Discepola
Duceppe	Finestone
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Godfrey
Godin	Graham
Guay	Guimond
Jacob	Keyes
Lalonde	Langlois
Lavigne (Verdun—Saint-Paul)	Lebel
Leblanc (Longueuil)	Lefebvre
Lincoln	Loubier
MacAulay	Maclaren
Maheu	Marchand
Martin (Lasalle—Émard)	Ménard
Mercier	Ouellet
Pagtakhan	Paradis
Paré	Patry
Payne	Robillard
Scott (Fredericton—York—Sunbury)	St. Denis

• (1805)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

The Acting Speaker (Mr. Kilger): This concludes the votes for this evening.

It being 6.10 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

CANADA LABOUR CODE

The House resumed from June 15, 1995, consideration of the motion that Bill C-317, an act to amend the Canada Labour Code and the Public Service Staff Relations Act (scabs and essential services), be read a second time and referred to the Standing Committee on Human Resources Development.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I welcome this opportunity to speak to Bill C-317 standing in the name of my colleague and friend from Manicouagan. The purpose of this bill is to amend the Canada Labour Code and the Public Service Staff Relations Act so as to deal with the issue of scabs and essential services in the case of labour disputes.

I am somewhat surprised to be in this position in 1995, because it seems to me this kind of legislation should have been passed long ago at the federal level.

The history of labour relations has more often than not been one of struggle and sometimes, unfortunately, one of violence.

When we study the history of the labour movement, we realize that when violence occurred, either on picket lines or as a result of a strike, it was in situations where the employer had hired strike breakers. In other words, he had replaced his employees who were legally on strike with people who were supposed to do the same work.

An hon. member: Scabs.

Mr. Caron: As my colleague says, scabs, to use a colloquialism.

I think it only makes sense that in 1995, the Canada Labour Code should contain a provision of this kind that would harmonize labour relations in situations where a strike may turn violent and ensure that employees who have temporarily lost their jobs are not replaced, since otherwise violence tends to develop on the picket lines and we get situations that are truly appalling.

I actually thought the Canada Labour Code contained a provision to that effect, because the Government of Quebec passed similar legislation in 1978, if I am not mistaken. At the time, representatives for the employers protested that it was not appropriate for the government to get involved in labour relations in a conflict situation of this kind, the excuse being that employers should be free to take any action necessary to continue their operations.

I think that at the time Quebec society made a wise decision when it told employers: Gentlemen, in our society, the government has a responsibility to provide leadership, to identify potentially violent situations and remove the cause of violence on the picket lines. In Quebec, if I remember correctly, we had two major disputes in which strike breakers were hired by companies and there was violence on the picket lines.

I remember the infamous strike in the sixties at United Aircraft in Longueuil and seeing on the news that armoured buses were bringing in people who were supposed to replace the workers who were legally walking the picket lines. This was a violent situation, and I think it is not in the interest of society to allow such situations to continue.

There was another case referred to at the time as the strike at Lapalme. This was a company connected with the Post Office Department. Its employees were on strike and, again, had been replaced with strike breakers or scabs. This dispute poisoned labour relations in Quebec for months and months. There were demonstrations supporting the workers, and petitions were signed. When the PQ government came to power in 1976, there had been considerable debate on the issue, so that legislation was adopted to regulate the whole issue of hiring strike breakers.

In fact, since that time, Quebec has had no violent conflicts comparable to those we saw in the sixties and seventies. Employers finally understood, although for a long time they were against this legislation. They were supposed to go to the Supreme Court but, if I remember correctly, the case was withdrawn in the eighties when the employers realized that the situation had improved since the passage of this bill.

I am very surprised that the Canada Labour Code did not take its cue from the Government of Quebec, especially since this concerns a large number of employees in Quebec. There are more than 200,000 employees in crown corporations, corporations regulated by the Canada Labour Code, out the public service. In Canada, there are more than one million. I think that the House of Commons should act responsibly and realize there is a major problem which should be dealt with as soon as possible.

• (1815)

Why is this still a problem? I think there are two reasons. The first, obviously, is negligence. The official opposition has put a number of questions to the Minister of Labour since her arrival in the House. We asked her if the Canadian government was going to introduce legislation. Her replies have always been evasive. The questions put to her by the official opposition concerned a labour dispute which still today, in 1995, poisons labour relations at a flour mill in Montreal. The employees came and demonstrated outside Parliament; they came to hear us in the House galleries. The dispute has lasted a very long time.

What is odd is that this dispute involved the same company and the same people who were on the management side in a dispute that, a few years or months before the Parti Quebecois enacted the legislation in Quebec, forced the government to take immediate action because one man had been killed. Somebody was shot at on the picket lines, and a worker died. The government assumed its responsibilities at that point.

Today we realize that the Government of Canada, with a minister whose arrival was a bit strange and whose role was rather vague—

Mr. Boudria: She was elected.

Mr. Caron: She was elected and a department was found for her. It could have been the department of the Canadian near north, it could have been the department of Canadian rain, or the department of the Rocky Mountains. It was simply a matter of finding her a department so she would have some credibility when she toured Quebec defending the option she is currently defending.

I am not saying this to criticize her work, but simply to point out that she did not do what she had to do as Minister of Labour. We do not feel there is a Minister of Labour in Canada in this case.

The second reason the Government of Canada is putting off passing legislation like this is one of ideology. You know that there was a law like this in Ontario. If I am not mistaken, it was passed by the NDP government. The new Harris government—I might say the harass government, but it is the Harris government—has announced that this law will be repealed.

I have not heard that the legislation in question had caused any more trouble in Ontario than in Quebec. It is being challenged for only one reason, an ideological one, which is to allow employers the freedom to do what they want with their property.

I thought that way of thinking was out of fashion in Canada today. I thought that the Canadian state had taken certain steps to oversee the action of employers in order to ensure a certain balance between the law of the market place, the law of might makes right, the law of the jungle, whatever you want to call it, and basic public interest. I believe that the attitude adopted by the Government of Ontario in this instance is a purely ideological one.

Nothing in Ontario labour relations in recent years has proven that the legislation was not working. In Quebec, on the contrary, it can be said that since 1978, in other words for 17 years now, there has been unanimous agreement that the act is working well. Even the Conseil de patronat du Québec gave up its Supreme Court challenge by the late 1980s.

I hope that this House will examine the bill of our colleague from Manicouagan with care, and will once and for all settle this pressing problem of justice in labour relations for all Canadian workers, and no doubt for a few months more for Quebec workers as well.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I would have liked to be able to say that I was pleased to rise today on Bill C–317. Unfortunately, earlier incidents prevent me from doing so.

• (1820)

However, today, I will take a few moments to deal with it, and then I will talk about related issues. They are indeed related because, to a large extent, they have to do with remarks we heard today and I want to spend some more time dealing with those.

The bill sponsored by the member for Manicouagan is aimed at amending the Canada Labour Code with respect to public service staff relations. As it stands, this piece of legislation respecting the Canada Labour Code is relevant; unfortunately, I cannot support it. I believe that the proposals cannot be examined independently from the federal government's general approach to industrial relations.

[*English*]

Prohibiting the use of replacement workers and maintenance of essential services must be considered in the context of a comprehensive review of the Canada Labour Code.

[*Translation*]

Indeed, amending only one aspect of the Canada Labour Code is the wrong way to proceed; a certain balance must be struck when considering changes to labour laws. I am sure that this is what the government will be seeking when it eventually chooses to amend the Canada Labour Code.

Mr. Nunez: When? When?

Mr. Boudria: The member opposite wants to know when. The Canadian Parliament will undoubtedly have the opportunity in the future, as it did in the past, to improve all the laws for the good of the Canadian people. I commend the member who asked me when for his concern for Canada's future. I know that when the constitutional issue will have been settled, when we will have voted no in a few days, he and I will continue to strive to

improve the legislation in the long term. So when he worries about the exact date, I can tell the member for Bourassa that he will have ample time to examine these issues because in two weeks he will vote no and refuse separation and Quebec will still be part of Canada.

The member who spoke just before me mentioned that the Minister of Labour came to the House in a way that was a bit strange. I respectfully protested without disrupting the decorum of the House—

Mr. Nunez: As you often do.

Mr. Boudria: —as I do once in a while, and I specified that "a bit strange" in that case referred to her election.

We heard that many times in this House. We even heard a Bloc member say, a few weeks ago, that the labour minister was not as legitimate as other Quebec members because her constituents were mostly anglophones since she represents Westmount. We all remember those comments made in the House last week. The member for Bourassa heard them just as I did. He knows who uttered those words and he knows these comments were made.

We also heard a member say in this House—no, it was rather outside the House and the media reported it—that, in this referendum debate, maybe only the so–called old stock Quebecers should get involved in this issue. Surely the member for Bourassa does not support that theory. Indeed, I would be surprised if he did.

Mr. St–Laurent: Could we get back to the bill?

Mr. Boudria: The member opposite asks me to get back to the bill. It is not I who alluded to the supposedly strange way the labour minister—and we are talking about amending the labour code—was elected.

A few weeks ago, or should I say a few months ago, we heard derogatory remarks made against the member for Saint–Léonard, the secretary of state for parliamentary affairs, just because he also represented a riding composed mainly of an ethnic group that is different from that of other Canadians.

• (1825)

An hon. member: How is this relevant?

Mr. Boudria: Mr. Speaker, I did not raise the issue of relevance. It is simply because, a few minutes ago, another member of this House referred to what he called a rather curious situation. I want to say a few more words about this curious situation because today a member of the media was the target of what I would call virulent attacks.

Joyce Napier, a well–known CBC reporter, was also insulted because her accent—I do not even know if this is true—is supposedly not quite the same as that of other Quebecers. This journalist was insulted in this way because another parliamentarian, this time the hon. member for Rimouski—Témiscouata, has decided that such attacks should be aimed not only at members of other parties and of some cultural communities but also at members of the media.

Is this because the lady in question has a name that is—I do not know if it is English, Irish or Scottish—but the fact is that it is not—

Mr. Dubé: On a point of order, Mr. Speaker. I have been listening to the hon. member for a while and his remarks are not at all relevant to Bill C–317, which deals with antiscale legislation.

The Acting Speaker (Mr. Kilger): I have been in the chair since the beginning of private members' business and I clearly recall another member making a speech on the bill, in which he addressed other issues as well.

On the other hand, the hon. member for Glengarry—Prescott—Russell was certainly on the right track at the beginning of his speech.

An hon. member: Yes, at the beginning.

An hon. member: More or less.

The Acting Speaker (Mr. Kilger): More or less, but still I feel that in the little time he has left, he will certainly get back on topic.

Mr. Boudria: Mr. Speaker, I simply want to use another quote to make a point and then go back to the main issue.

Here is the quote. It reads: "Canada has always protected French speaking people. It always let them be assimilated. If you know a bit of history—given your accent and your language, you may not have been a Quebecer at the beginning—did you study Quebec's history"?

I now go back to the main issue, but I want the House to know that, at least as far as I am concerned, those who applaud when the member for Rimouski—Témiscouata makes such comments should also be condemned, just like she was when she lashed out at another person, thus showing once again the separatists' intolerance. We saw that. We also saw that intolerance when the Leader of the Opposition made his statement about little white babies. We saw it in other statements too. We saw it today and we see it again with the applause of another member.

[*English*]

I will conclude my remarks by saying that we do not intend to support the legislation.

[*Translation*]

Mr. St–Laurent: Mr. Speaker, I rise on a point of order.

We go to the trouble of introducing bills because we sincerely believe that the House serves some purpose, and I still believe it does. However, when I see the member for Glengarry—Prescott—Russell do what he just did for ten minutes, I begin to seriously question the true role of this House.

The Acting Speaker (Mr. Kilger): This is not a point of order, although we should always take great care to make our remarks relevant. The rule of relevancy is interpreted with a great deal of flexibility on both sides of the House.

I will now ask the hon. member for Glengarry—Prescott—Russell to conclude his remarks.

Mr. Boudria: I have finished, Mr. Speaker.

• (1830)

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I will try to make my remarks strictly relevant to Bill C–317, an act to amend the Canada Labour Code. On page 1a of this bill, it says, and I will read very slowly so that everybody can understand:

> The purpose of this bill is to prohibit the hiring of persons to replace employees of an employer under the Canada Labour Code or of the Public Service who are on strike or locked out.

This is what the bill is all about. This bill was carefully prepared by my colleague from Manicouagan, who carried out a study and who is sort of making a new attempt to remind the House that we must do something in this area. Another purpose of this bill is to ensure that essential services are maintained in the event of a strike or lockout in a crown corporation and in the public service.

Bill C–317 was introduced by the hon. member for Manicouagan, whom I want to congratulate again for his insight. He was able to come up with this piece of legislation by relying on his work experience. The purpose of this bill is to expand on what we already have in Quebec. It tries to influence this Parliament, even though we are in the middle of a referendum, because a lot of the federal provisions included in the Canada Labour Code affect workers in Quebec. This is why my hon. colleague introduced this bill.

May I remind you that it is not the first time that such an initiative is undertaken and that such a bill is introduced in the House. Without going into details, I want to mention as an example that, in November 1992, the Conservative member for Abitibi had brought forward Bill C–376 that had essentially the same intent as the introductory paragraph of the bill introduced by the member for Manicouagan.

Before that, during the postal strike, the present member for Richelieu, who was then a Conservative, tried twice to get the House to adopt legislation to prohibit the hiring of scabs by crown corporations. The first time was in February 1988 with Bill C–282 and the second time was in April 1989 with Bill C–201. That last bill was defeated by 18 votes only, which means that the member for Manicouagan has a good reason for trying again today, having seen that a good number of members from different parties in the House supported such a bill at that time.

The Liberal Party, then in opposition, expressed its support for the bill. Many Liberal members were in favour of the bill at that time. If we go back a little further, in 1980, Ed Broadbent, then leader of the NDP, introduced an antiscab bill. Since that time, several unions have asked various federal governments to pass a similar act. So, this is nothing new.

In October 1994, the present Minister of Human Resources Development promised that an anti–scab bill would be introduced in the spring of 1995. We all know what happened. A part of the responsibilities of the Minister of Human Resources Development were transferred to the present Minister of Labour, who seems to be too busy with the referendum because she has not yet introduced such a bill. Yet, the minister had made a priority of that issue after her appointment in February 1995. We are in October and nothing has been done.

I would like to remind the House that in Quebec, provincial anti–scab legislation was passed in 1977 and became part of the Labour Code. Since then, Ontario and British Columbia have passed similar legislation.

• (1835)

The preventive, dissuasive and indicative role of the Quebec act has resulted in a 35 per cent decrease in the average number of labour conflicts since 1979. And 35 per cent is not a figure to be sneezed at.

There is agreement between the partners in the Quebec labour market on the beneficial effects of the Quebec legislation on scab labour. Even the strongly federalist and strongly pro–business Conseil du patronat du Québec has abandoned its challenge against these acts before the Supreme Court, saying that there have been improvements in labour relations in Quebec over the years since its passage.

And yet, as you know, there is a new government in Ontario and the new Mike Harris government, which is chummier with business than with workers, has promised to do away with Ontario's Bill 40 by the end of this year. It is noteworthy that Chrysler Canada has publicly advised the Harris government not to move too hastily on this change and to weigh the consequences. The auto maker fears that precipitous action might upset labour relations in Ontario. This is a very recent happening and right in Ontario. Chrysler Corporation is not just any company, it is a huge company, an important one, and it is warning the Government of Ontario not to take away the legislation.

In Quebec, 10 per cent of workers are governed by the Canada Labour Code, or about 217,000 people.

Now I will speak to you about one example of a labour conflict in Quebec which dragged on because Quebec's scab legislation was not enforced. That example is Ogilvie Mills Limited. Ogilvie processes grain, and somewhere in the Constitution, in Canadian constitutional law, it says that grain comes

under federal jurisdiction. So what happened at Ogilvie? Because it was federally regulated, Quebec's anti–scab legislation did not apply.

This dispute, which was settled only recently, went on and on, despite all attempts to reach a settlement. I remember raising the matter as the member for Lévis. Although Ogilvie is mainly in Montreal, there was an impact across Quebec. During the notorious dispute at CN, we told the Minister of Labour: You do not seem as anxious to appoint a mediator to settle the grain dispute at Ogilvie in the Port of Montreal.

The dispute dragged on and on and on, until it was settled quite recently, but it went on for many months, and in fact it lasted about 18 months, if I am not mistaken.

So what did the workers at Ogilvie want? What caused the dispute? It seems they just wanted to maintain their working conditions, not improve them, only maintain them. The company wanted to backtrack on conditions that had already been agreed to.

In the circumstances, it was perfectly normal for the employees to act as they did. Not many people, and I would even include members opposite and, in fact, all members of the House of Commons, would be prepared to go back to what conditions were in the past. And that was the problem.

I could mention another case in Quebec to illustrate my point. I come from the riding of Lévis. MIL Davie, a marine construction firm, comes under the Quebec Labour Code because the sector is regulated by the province. The company does not have the right to hire strike breakers. However, a small shipyard like the one at Les Méchins, which does ship repairs and is thus in a related sector, would be subject to the Canada Labour Code because of the federal government's jurisdiction over marine traffic, and so the anti–scab legislation would not apply.

Today, these shipyards are being invited to bid for the same jobs but they are not subject to the same conditions, the same bargaining rules.

• (1840)

In the minute I have left I would like to say that—and it might look odd for a Bloc member involved in the current referendum campaign to encourage the federal government to pass anti–scab legislation—if the yes vote wins, Quebec will do what it likes once it is sovereign. We can envisage that.

However, at the same time, as the areas of labour relations are often interrelated and we want an open economy, we feel that our future neighbour, Canada, should be subject to the same conditions so that the rules for business—we are talking here of free trade—are consistent.

This is to be expected, and we want the members opposite to vote in favour of this legislation so that workers in all fields, particularly industry, enjoy the same conditions in this part of the North American continent.

[*English*]

Mr. Robert D. Nault (Parliamentary Secretary to the Minister of Labour, Lib.): Mr. Speaker, it is a pleasure for me to be here tonight in my first duties as the Parliamentary Secretary to the Minister of Labour and to speak briefly on Bill C–317.

I thank the member for Manicouagan for bringing this important bill forward. The member proposes to amend the Canada Labour Code and the Public Service Staff Relations Act. As I read it, there are two very important objectives here.

The first objective is to ban replacement workers when there is a strike or lockout in the public service or at an employer covered under the Canada Labour Code. The second objective is to ensure that essential public services are maintained in the event of a strike or lockout in the public service or at a crown corporation.

The issues raised in the bill are difficult and complicated. It deals with peoples' pocketbooks, their livelihoods and their rights. To those involved in labour relations, it will also influence Canada's economic and social progress.

Thus the bill merits our time and consideration. Any decisions taken on these issues have to be carefully thought through. Bill C–317 proposes to change part I of the Canada Labour Code. This part of the code is meant to achieve a balance of power between labour and management.

As a former union executive I know a careful balance is needed to keep the collective bargaining process running. Therefore I do not think it is wise to isolate or grab on to certain issues without considering the effect on the big picture. That is the point I want to emphasize.

As I am sure the hon. member is aware, there has not been a comprehensive review of the industrial relations provisions of the labour code in over 20 years. The last amendments were made in 1972 and before that we have to go back to 1948.

In 1972 amendments were made involving the certification process, new provisions to require good faith bargaining, the extension of the unfair labour practices section and increasing the authority of the Canada Labour Relations Board. Most important in my mind, especially in light of today's economy, was the inclusion of a section on technological change. This meant that unless a collective agreement dealt with the issue, an employer was required to give 90 days notice of any new technology likely to impact on working conditions or job security of a significant number of employees. That notice was lengthened in 1984 to 120 days.

After such notice the union can apply to the CLRB for leave to notify the employer of its desire to reopen negotiations to discuss provisions for those workers affected by technology. Once notice is received the employer cannot make technological changes until the board denies the union application or an agreement is reached or the parties negotiate and reach a strike provision.

These changes were made only after extensive consultations with unions and employers and after two thorough studies. The Freedman study in the 1960s looked at the impact of technology at CN Rail and recommended a formula for labour and management to resolve disagreements over the consequences of new technology. As well, the Woods task force in 1968 examined just about every aspect of labour–management relations under federal jurisdiction. It commissioned a number of studies and submitted several important recommendations to the government.

• (1845)

I have touched on history just to show that in Canada we do not fool around when it comes to labour–management relations. Hastily ill–conceived actions however well meaning can have serious consequences in this area.

Our tradition is to only change collective bargaining laws after thorough deliberation and consultation with all the stakeholders. This tradition has served us very well. It has allowed us to develop at the federal level at least. I will refrain from commenting on the radical and polarizing swings in my home province of Ontario over the last five years. We had the NDP way over here at one end for a little while and now we have the Conservatives, some would suggest very right wing indeed, going the other way. That kind of polarization and swinging back and forth does nothing for labour–management relations. In fact, it does a disservice to the people who have to make a living by collective bargaining.

Since the last amendments were made in 1972, the environment surrounding industrial relations has undergone a revolution. Free trade, deregulation, rapid technological advances and workplace restructuring place new demands on both labour and management. In light of this, we need a comprehensive review of the Canada Labour Code, not piecemeal action as suggested tonight.

In fact, the Minister of Labour launched such a review just a little while ago. This review is looking at the big picture. We want to improve the labour code to encourage co–operation between labour and management, to reduce unhealthy and counterproductive levels of conflict and to ensure that administrative bodies are responsive to the new and always changing labour relations environment.

Since last winter, extensive consultations have been carried out with labour, management and interested and knowledgeable third parties. Many issues are being studied, including those that the member proposes to deal with in Bill C–317. It is a difficult task, as labour and management hold diametrically opposed viewpoints on these issues. For example, there is the issue of replacement workers. Let me quote Tom d'Aquino, whom we all know, and what he thinks on this ban.

Tom d'Aquino writes: "We would dramatically alter the delicate equilibrium which has been established over the course of many years between management and labour and firms which are subject to federal jurisdiction. The obvious result would be to strengthen the position of organized labour while simultaneously weakening management's position, with clear implications for the outcome of their private contractual negotiations. Government interference of this sort would violate the most basic principles of equity and fair play. It would be highly disruptive and entirely inconsistent with our open market economy. It also would override the fundamental rights of individuals to decide where and when they choose to work".

On the other side we have Bob White, whom we also know quite well. He is on record expressing the CLC's strong support for restrictions and even a total ban on replacement workers, including management staff.

Our job is to try to reconcile these deeply held, apparently incompatible positions. It will not be easy, but it is something we simply have to do.

Last June the Minister of Labour established a task force to conduct an independent review of part I of the labour code and to recommend changes. I want to mention tonight the issues and areas this task force will be looking at and to mention to the members opposite who have suggested that the Minister of Labour has done virtually nothing on this issue and that she has been somewhat reluctant to get involved in these major changes that are necessary for the economy and for the labour relations we have to deal with. The review will be completed by December 15. I am confident the people on the task force will do a thorough and professional job.

• (1850)

The task force is dealing with very critical and important issues which include the conciliation and mediation process with a view to reducing delays and encouraging settlements and the possible role of alternative dispute settlements; fact finding and special mediation; the procedures for acquiring the right to strike or lockout; and the rights of employees, employers and bargaining agents once a strike or a lockout occurs. The general purpose of the code will be looked at as will the need for labour management committees, preventive mediation programs, grievance mediation and expedited arbitration. Bargaining unit structures including recommendations of industrial inquiry commissions into labour relations at west coast ports will be made regarding geographic certification provisions. Finally the need for alternative procedures or bargaining structures for the

non–traditional work relationships like telework, contract work and casual employees will be looked at.

As members can see, although I did not lay them all out tonight, the task force has a large task ahead of it. There is a lot to do and not much time to do it. Then we will be able to make informed decisions on the issues raised by the separatist party opposite and on other issues as well taking into account the big picture.

In order to make sense of the whole process we will have to wait until the ongoing studies are complete. Then we will all be able to make an informed decision and a position will be reached by the government on what we will put in front of the House as far as new legislation is concerned.

That is what the federal government believes is the true way. We have put comprehensive labour relations management proposals to the House instead of the piecemeal approach suggested by the member opposite.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is my privilege to participate in the debate on Bill C–317, sponsored by the member from the Bloc that deals with the ban on replacement workers.

The Bloc member favours a ban on replacement workers. This stems from the Bloc being very upset with the use of replacement workers by the American owners of the Montreal company known as Ogilvie flour mills. Because flour mills fall under federal jurisdiction and Quebec's provincial anti–replacement worker legislation had no effect on the company, I understand Bloc members feel it is important to bring the legislation forward to the House of Commons for us to review in private members' hour.

The proposal comes from a member of a separatist party that wants to take the province of Quebec out of Canada. We feel they do not realize the consequences of their actions. I do not think they realize the consequences of the bill as well. It is a bit like sandbox diplomacy where a youngster is playing in the sandbox and if he does not get along with his companion he says: "I am going to take my toys and go play in another sandbox. No one else can play with these toys; I will take them with me".

Hopefully when we are dealing with legislation and labour disputes we can get beyond sandbox diplomacy in politics. The sandbox approach to labour disputes and to labour legislation, particularly legislation such as the bill that would ban replacement workers, is not the solution to the problem. It would exacerbate the problem considerably.

I will not go on at great length debating the clauses of the bill proposed by my colleague. However I want to take a brief look at the consequences of labour disputes and perhaps a more constructive and positive way of resolving them other than banning replacement workers and getting into a frustrating battle between labour and management where people take sides. I would also advise my colleague from the Bloc that perhaps this approach to labour legislation and a relationship with labour is not in their political best interests.

• (1855)

All we have to do is look at our political cousins, the New Democratic caucus, and see what has happened to them over the years and what happened to them over this past weekend. They have always catered to the elite in the labour movement, the leaders, and felt that was the key to their political success. Even in their leadership convention over the weekend we saw where labour played a significant role in determining who the leader of the party would be. That has led to their political demise and even to an erosion of support among rank and file union workers because of their position on issues dealing with labour and management.

A word of advice to my colleagues in the Bloc Quebecois is that perhaps for their political well–being they might not be advised to pursue this type of legislation.

I want to discuss labour relations on the west coast, which impact on my part of the world. Western Canada is important. I know we debate Quebec and its relationship within Canada quite a bit these days. However, I just want to deal with the labour situation and replacement labour and perhaps a better approach to solving labour disputes from my perspective in Saskatchewan.

Since 1972, six labour disputes relating to the west coast ports were settled by federal back to work legislation. Two other labour disputes were settled by federal back to work legislation in 1988 and 1991. They were also directly related to grain handling disputes in British Columbia, although they were somewhat different.

Within the current term of this 35th Parliament, two labour disputes have occurred at the west coast ports and there had to be back to work legislation. Specifically, these are the West Coast Ports Operation Act, Bill C–10, and the West Coast Ports Operation Act 1995, Bill C–74. These relate to disputes occurring in February 1994 and March 1995.

That brings me to the principle of the right to strike, the right to lock out workers, and the right to replace workers with so–called scab labour, or the opposite of that, the right to implement legislation that would ban the hiring of replacement workers.

The strike and the lockout are effective tools in the labour and management arsenal. They have been using these for a long time to bring about a resolution. Usually the side with the deepest pockets and the strongest resolve to win will force resolution in their favour. We respect this mechanism. If that is the approach that labour and management want to take, we respect it. It is not

a mature approach, but we live in a free country and that should certainly be considered.

In the case of the west coast ports, however, labour disputes are unique for a couple of reasons. One is that the federal government does not allow labour and management to actually carry the resolution process to the point where there is a disruption and it gets into a replacement labour situation or the banning of it. It passes back to work legislation as part of that. That has taught us that there is an innocent third party that is damaged economically. For that reason, there has been great pressure to find a better way to resolve management and labour disputes than through strike or lockout actions and subsequently through the use of scab labour or the banning of that same labour.

We have suggested that what has been working and has even been legislated by the House is the use of final offer selection arbitration. I would be more encouraged if my colleague had brought forward legislation that would take us from sandbox diplomacy with regard to labour relations and move it to a more mature ground, such as that of the final offer selection arbitration process.

The cost of the west coast ports disruption is in the hundreds of millions of dollars. The direct cost of the 1994 dispute was over $125 million. The indirect cost in the loss of future contracts was over $250 million. According to the Minister of Human Resources Development, the threatened grain sales could amount to $500 million.

Having outlined these problems, we did not leave the people in the lurch. We decided we had to do something constructive about this. We suggested the final offer selection process. It is a tried and true process. It is not a brand new idea. In fact, the process has been legislated in this House.

• (1900)

Perhaps it could have an expanded role beyond some of the essential services, such as west coast ports and national railways. It could be accepted by labour and management more readily, rather than going the route of replacement workers or a ban on replacement workers.

This is how final offer selection arbitration works. If, and only if, the union and the employer cannot make an agreement by the conclusion of the previous contract, the following measures are immediately put into place without work disruption. If there is no work disruption that means there are no replacement workers and that step has been precluded altogether.

The union and the employer are requested to provide the name of a person they would jointly recommend as a arbiter. The union and the employer are required to submit to the arbiter a list of matters agreed on and a list of matters still under dispute. For the disputed issues, each party is required to submit final offer for settlement and the arbitrator then selects either the final offer submitted by the trade union or the final offer submitted by the employer. In the event that one party does not submit a final offer, then the other side's offer is automatically accepted and the arbitrator's decision is binding on both parties.

This is the direction in which we believe labour and management relations should be going. It is the way to more maturely settle management–labour disputes. It precludes having to use replacement labour or banning replacement labour altogether. It prevents work disruptions. It prevents loss of pay for the workers. The collective bargaining process is still in place. It is still allowed to take its full course. The parties are brought together to resolve their disputes more quickly, more fairly, more equitably and more harmoniously.

I would ask the hon. member to consider when he brings future legislation to the House this as a third option which might be superior to others that have been considered.

[*Translation*]

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, I would like to say a few words on Bill C–317 introduced by the hon. member for Manicouagan.

This bill proposes to amend the Canada Labour Code and the Public Service Staff Relations Act.

The purpose of this bill is, first, to prohibit the hiring of persons to replace employees of an employer under the Canada Labour Code or of the public service who are on strike or locked out and, second, to ensure that essential services are maintained in the event of a strike or lockout in a crown corporation or in the public service.

Although this bill proposes to amend the Canada Labour Code as well as the Public Service Staff Relations Act, I will deal only with the amendments to the Canada Labour Code.

Furthermore, I want to examine two aspects of staff relations I find significant: the use of replacement workers and the maintenance of essential services in the event of a strike or lockout.

It is not the first time that such issues have been raised in the House. Politicians must have raised them often. The spokesmen for employers and unions expressed their views quite forcefully. And industrial relations experts from our universities have tried to explain to us the consequences of our decisions in this area.

The problems concerning the use of replacement workers and essential services are not easy to solve because what is involved is people's livelihoods and rights, as well as society's legitimate expectations. We are asked, as membres of Parliament, to decide if restricting the rights of one group is in the public interest. We are also asked to strike a balance between the rights of employers and those of employees. Whatever legislative action we take,

one group will feel that it is being wronged, that its rights are being denied.

Therefore, it is essential not to make hasty decisions on these issues. As I said, members have raised them often. It is all to their credit that they did not act impulsively and incoherently. I believe, however, that this bill's time has not yet come.

• (1905)

As the hon. member probably knows, the government has undertaken a complete review of part I of the Canada Labour Code. That part defines the framework for industrial relations and sets the rules for collective bargaining in federally regulated industries.

It applies to areas like rail and road transportation, pipelines, air and sea transportation, longshoring, grain handling, banking and broadcasting, as far as they concern interprovincial or international activities. Some crown corporations, like Canada Post, are also subject to the code.

For more than 20 years, the Canada Labour Code provisions on labour relations have not been reviewed. However, the collective bargaining process has changed tremendously during that time. Due to globalization, deregulation, technological change, and work environment restructuring, many requirements must now be met.

The government is holding major consultations with management and labour organizations, as well as with academics. Many concerned citizens have written to give their opinion on labour relations.

The task force examining part I of the Code must report to the minister by December 15, 1995. Certain complex and difficult aspects have been looked at already, particularly the use of replacement workers in legal work stoppages and the question of essential services. These are highly volatile issues, particularly the issue of replacement workers.

At the present time, the Canada Labour Code does not forbid the use of replacement workers but it does offer some measure of protection to workers on strike. The employer may not take disciplinary measures against an employee who takes part in a legal work stoppage or who refuses to perform the duties of another employee who is taking part in a legal work stoppage.

As well, according to Canada Labour Relations Board regulations, employees are entitled to resume their positions after the strike is over and to have priority over any other person who has been hired to replace them. In the United States, there is no measure of protection against hiring replacement workers. Employers are in fact even permitted to hire permanent replacement workers, although President Clinton is working to put a stop to this practice.

Here in Canada, several provinces have passed legislation to limit the use of replacement workers in legal strikes. Those who favour a measure to prohibit the use of replacement workers feel that, when collective bargaining breaks down, the parties will be motivated to reach compromises by the economic difficulties they face.

However, when an employer continues to operate his business during a strike through the use of replacement workers, he loses the motivation to bargain. Work stoppages last longer, and tension on the picket lines increases.

Some claim that, in Quebec, where the use of replacement workers has been banned since 1978, violence on the picket line has dropped. Others say that using replacement workers poisons labour relations and discourages employees from joining the union; they know they can be easily replaced during a strike, and consequently they doubt that belonging to a union would be of any use. This is especially true of companies using untrained low paid workers.

To those who say that banning the use of replacement workers would tip the scale in favour of workers, unionists and the like reply that globalization is already tipping the scale in favour of employers. Those who do not support banning the use of replacement workers say that it could discourage new investments and drive some companies to the United States where there is no law to this effect.

Those who oppose such legislation also maintain that most businesses under federal jurisdiction are infrastructure industries. Therefore, if these businesses have to stop all operations because they cannot hire replacement workers, the whole economy will suffer and we will have to use back to work legislation more often.

To those who say that the banning of replacement workers would reduce tension and violence on picket lines, those who oppose the banning reply that labour legislation is not the appropriate tool for solving this problem. They think that the government should turn its attention to those who commit these acts of violence.

This is obviously a very difficult problem, and it will not be easy to reconcile the two sides. It is therefore absolutely essential to continue to talk, to consult each other, to do research, to discuss and to think.

The comprehensive review of the code undertaken by the government should be allowed to continue before amendments can be submitted to the House for approval.

The issue of essential services is also very complex. Coming up with an exact definition of essential services is no small task. In his bill, our colleague seems to establish a direct link between essential services and services provided by crown corporations. Consequently, crown corporations would be covered by provi-

sions governing essential services, while private companies offering the same services would not.

To conclude, I would just like to remind the House that a thorough review of the code has been undertaken by the federal government and that the two points raised by our colleague will be considered as part of this review. It would therefore be premature to adopt such a bill while the code is under review.

Given the complexity and importance of the points raised, it would be wise to wait until this review has been completed.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

[*English*]

It being 7.13 p.m., the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24.

(The House adjourned at 7.13 p.m.)

HOUSE OF COMMONS

Wednesday, October 18, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

MINING

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, as the member of Parliament for Prince Albert—Churchill River and the chair of the House of Commons Standing Committee on Natural Resources, I extend my congratulations to the citizens and town council of Creighton, Saskatchewan today. They have passed an important resolution supporting the Keep Mining in Canada campaign and the industry's 10–point plan to create a healthy investment climate for mining in Canada.

Creighton is the 132nd community across Canada to adopt such a resolution to demonstrate its support for a continued, thriving mining industry in Canada. The health of these 132 local economies depends significantly on the health of the mining sector.

The 132 resolutions show that these towns care deeply about the future of the mining industry and I for one applaud the town of Creighton and all Canadians who care about working together to ensure a healthy mining sector.

* * *

[*Translation*]

MINING INDUSTRY

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, the Keep Mining in Canada campaign is moving today to Ottawa. I would like to salute the presence among us of mining industry representatives who have come to see the government in action. Or rather, I should say, in inaction.

The Liberal government had promised to streamline the regulatory maze facing the mining industry. Nothing has been done. The Liberals were committed to improving the flow through share system, but nothing has been done in that area either.

Despite the federal government's inaction, Toronto–based Falconbridge recently announced that $500 million would be invested in Northern Quebec, which will create hundreds of jobs.

The proposed investment shows that the prospect of a yes vote does not scare investors from the rest of Canada. Better yet, it demonstrates the potential and vitality of the mining sector in Quebec.

Just imagine how this sector will grow once Quebec becomes sovereign.

* * *

[*English*]

THE LATE ERIC REILLY

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, this past Monday I was saddened to learn of the death of a great Canadian and a constituent of Okanagan—Similkameen—Merritt.

Eric Reilly knew this country well. He was politically wise and his efforts are well known in my riding as a Reform pioneer, an organizer, a man who introduced scores of new members to the Reform Party of Canada. He did this for the love of his country and for the future of his children, his grandchildren and their children.

Eric was a fourth generation Canadian born in Dauphin, Manitoba 82 years ago. He passed away peacefully on October 16, 1995. Eric Reilly is survived by his loving wife of over 50 years, Nora, four children and eight grandchildren.

During the last months of Eric's life he wrote his autobiography *The Life of Reilly*, tracing his early years. But his greatest memories were of his family. He wrote:

> The only thing you have left, regardless of how much money you have accumulated, is your family. I will be leaving a fortune.

To Nora Reilly and the family the House offers our sincerest condolences.

* * *

LIBRARIES

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, local libraries across the country will suffer if the proposed privatization of the Canada Communication Group is put in place by the government. Libraries are concerned that the depository program operated by the Canada Communication Group may be in danger.

S. O. 31

Relaying government information to the general public has always been a part of the public library's mandate. The partnership between government information services and the public library system has been successfully in place for over 100 years. It would be most unfortunate if communications between the government and the people of Canada should be endangered.

With the privatization of CCG, government documents will become expensive and difficult to obtain.

For the sake of providing information to Canadians, I ask the government to consider retaining the publishing function of CCG while giving up the responsibility for printing.

* * *

MINING

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, today I rise to pay tribute to the Canadian mining industry. Canada is the third largest mining nation in the world and the world's largest producer of uranium, zinc and potash. Almost 80 per cent of Canada's mineral production is exported.

Mining is the mainstay of employment in over 115 communities in Canada. For every 10 jobs created in the mining industry, 8 more jobs are indirectly created. For every dollar spent on mining research and development, there is a $3 benefit to the Canadian economy.

Over the past two years the demand for nickel has jumped 20 per cent. Fortunately Canadians have the resource, the workforce and the expertise to meet this anticipated demand.

It is for these reasons that we must work together in a co–operative spirit to foster an environment in which the mining industry may continue to flourish in this great country of ours.

* * *

QUEBEC REFERENDUM

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, Canada is consistently rated as one of the best nations in the world in which to live. The United Nations ranked us number one twice in the last three years. A recent private sector ranking of cities around the world ranked four Canadian cities in the top twelve.

All around the globe are people who yearn for the rights and freedoms, not to mention the peace and personal security, we enjoy as Canadians. We are incredibly fortunate to live in a country founded on the principles of freedom and democracy.

As an immigrant to this great country I find it hard to believe anyone, let alone descendants of the first Fathers of Confederation, would ever consider leaving it.

Quebecers should take a good hard look at the state of other countries around the world before they decide to separate from this one.

* * *

[*Translation*]

FRANCO–ONTARIANS

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, I had the opportunity to attend the annual convention of the Association canadienne–française de l'Ontario (Rive–nord) and the 20th anniversary of "L'étoile d'or" seniors' club in Elliott Lake.

• (1405)

As always, the members, volunteers and directors did a good job of representing the Franco–Ontarians in our region. As always, they have shown that the French fact is still very strong throughout Northern Ontario because the francophones in our region have great love and esteem for the distinctive features and wealth of their culture and heritage.

There is no need for Quebec to leave Canada in order to preserve the French culture. To the contrary, we believe that the French culture will have a better chance of surviving in a united Canada, as my friends from the ACFO and the seniors' club have demonstrated.

* * *

REFERENDUM CAMPAIGN

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, the Minister of Finance contends that all the evils in the world will befall a sovereign Quebec and one million jobs will be lost.

We will recall that the minister himself, along with his present government colleagues, opposed the free trade agreement with the United States because, as reported in the June 21, 1988 *Hansard*, it would have "—a negative impact on many industries and communities and because it will jeopardize the Canadian economic and social structure as well as Canada's political independence".

In fact, as we know, the FTA created thousands of jobs in Canada and gave a tremendous boost to our exports.

The no side, and the Liberal Party of Canada in particular, have always used fear as an argument against progress. On October 30, Quebecers will oppose them by saying yes to sovereignty.

* * *

[*English*]

GOVERNMENT CONTRACTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, this morning's headline reads: "Probe into contracts given to bureaucrat's relatives miffs Dingwall". Apparently the minister is unhappy with the lack of action taken against bureaucrats who were caught giving government work to friends and relatives.

The minister should know how internal probes feel by now. This summer he asked his employees to clear him of charges of steering lucrative contracts to a campaign contributor who just happened to be the golfing buddy of the Prime Minister.

The internal whitewash declared the minister clean even though a letter from the minister's office blatantly directed a government agency to do business with this sole bidder and then asked the agency to confirm progress.

We know how internal probes feel. Take two aspirins and call the ethics counsellor in the morning. We know how that feels too. It is not very satisfying over here.

* * *

BILL S–9

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, do we as members of Parliament and does the public generally have any idea what Bill S–9 is all about?

At a time when funding for Canadian colleges, universities and institutes is being reduced through cuts in transfer payments, the House is about to pass legislation today that will see Canadian taxpayers funding United States universities and colleges.

Yes, Canadian taxpayers will be able to support American colleges and universities. Bill S–9 will enable Canadians to donate funds to any college or university in the United States and then be able to deduct these contributions on their tax returns. Canadians will now be able to donate money to Harvard, Stanford, UCLA or Eastern Arkansas State College and then deduct these contributions on their Canadian tax returns.

Why are Canadians being asked to subsidize U.S. colleges and universities at the same time when support for Canadian post–secondary institutions are being seriously underfunded?

* * *

[*Translation*]

FRANCOPHONE COMMUNITIES

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, I was very impressed by an ad placed by the francophone community of Alberta in the Wednesday edition of *Le Soleil* two weeks ago.

What it said reflected the concerns of French speaking communities across Canada. Canada is recognized around the world as a bilingual country where both English and French are spoken. The future of the French language in Canada would be seriously threatened in a divided country. It is obvious.

Francophones were among the founders of cities like Moncton, Winnipeg, Regina and Edmonton. The voyageurs who discovered new territories and the settlers who farmed this new land are but a few examples of this. We must not break the ties between Quebec and francophone communities in the other Canadian provinces. Together, we are stronger, much stronger.

I will conclude by quoting the French Canadian Association of Alberta and saying, on behalf of all francophone communities in Canada, that the French language has a place in Canada, and so does Quebec.

* * *

REFERENDUM CAMPAIGN

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, the yes side has a real problem refraining from excluding various groups when it discusses who is a true Quebecer and who is not.

• (1410)

The recent controversial comments made by the Bloc Quebecois leader concerning the low birth rate among whites were echoed once again in the separatist camp.

Mr. Emmanuel Marcotte, president of the yes committee for the Outaouais region, said: "It is a fact, it is a white race. I mean it is a fact. Let us call a spade a spade. We are white people. We are not yellow and we are not green. We are white. You do not like the word race, but that is the truth".

These comments follow a long series of discriminatory and racist statements made by the yes side. On October 30, Quebec will say no to intolerance and to exclusion.

* * *

FRANCOPHONES OUTSIDE QUEBEC

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, according to the Bloc Quebecois, French speaking people outside Quebec are all condemned to assimilation unless Quebec separates.

That reasoning is all the more insulting because it is unsound. Today, there are seven million French speaking people in Canada, out of a total population of 27 million, which means about 25 per cent of all Canadians. Should the yes side win, there would be one million French speaking people in Canada out of a total population of 20 million, or five per cent of Canadians.

Separatists are prepared to jeopardize the remarkable progress that we have made over the last 30 years to protect and promote French in Canada. Separation would result in the worst geopolitical setback for French in North America since 1759.

French speaking people from all regions of the country, including Quebec, know very well that there is strength in numbers and that a French speaking community which comprises Quebec is the best guarantee that French will blossom in this country.

QUEBEC ECONOMY

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, yesterday in his speech to Quebec industrial commissioners the Minister of Finance for Canada predicted apocalyptically that sovereignty would jeopardize a million Quebec jobs. Finding the estimates of the leader of the no committee not catastrophic enough for his taste, the finance minister padded them by multiplying Daniel Johnson's estimates by ten.

It is worrisome and unacceptable to see such irresponsible statements made by the person who manages the enormous federal debt. We hope that the minister does not use equally farfetched estimates for his economic and budget forecasts, something one might well wonder about since the Minister of Finance has deferred his economic and budget statement until after the referendum.

What is he afraid of? Is he afraid to report to Quebecers now on his administration?

* * *

[*English*]

MINING

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, representatives of the mining industry and mining communities are in Ottawa as part of their Keep Mining in Canada campaign. I bid them welcome.

Although mining contributes greatly to the economy, the sad fact is that today the Canadian mining industry is in serious trouble. Domestic mining exploration expenditures for 1992 valued at $385 million were at their lowest levels since 1967. Even with the improvements in the past two years they are still only expected to reach $675 million this year, well below the $800 million level generally regarded as the threshold required to maintain reserves.

As a prospector and mining consultant, I want to assure the House that it is not easy to drive prospectors out of the bush. It has taken many years of wrong headed federal government policies to do that. Major changes must be made.

I ask my hon. colleagues to give a sympathetic ear to Keep Mining in Canada representatives, not just this week but all year round.

* * *

[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, it was paradoxical, to say the least, to see the separatist member for Rimouski—Témiscouata trying to make political gains at the expense of francophones outside Quebec, when she has missed no opportunity to run them down and attack their credibility.

March 14, on the program *Ontario 30*, she had the following to say about the Association des communautés francophones et acadienne: "To my mind, it is very clear that the federation has been bought off". The next day she told *Le Devoir*: "Our message to francophones outside Quebec is clear. Leave us alone to make our decision and mind your own business".

Quebecers have the survival of French in Canada at heart and they will not allow the separatist agenda to threaten the existence of francophone communities outside Quebec. This coming October 30, Quebec will say no to the abandonment of francophones elsewhere in Canada.

* * *

• (1415)

FRANCOPHONES OUTSIDE QUEBEC

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, yesterday certain Bloc members spoke in this House in an attempt to have us believe that francophones outside Quebec would be better protected by a sovereign Quebec. The hon. member for Rimouski—Témiscouata stated: "The status quo is untenable for the survival and development of the French fact in North America; only a sovereign Quebec can enable us to work toward this".

I feel it is appropriate to remind the official opposition, along with the hundreds of thousands of francophones outside Quebec, that one of the first decisions taken by the Parti Quebecois after its election was to close Quebec's office in Edmonton. According to the PQ minister the reason for this decision was financial. On October 30, Quebecers will not abandon francophones outside Quebec, and that is why they will vote no.

ORAL QUESTION PERIOD

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, in an apocalyptic speech to Quebec's industrial commissioners, the finance minister predicted one million jobs would be lost the day after a win by the yes side, thus upsetting a number of people in the audience, who obviously felt uncomfortable with these outlandish claims. The minister added that according to him, it was a conservative estimate and that it might even be more than one million.

My question is directed to the Minister of Intergovernmental Affairs. Would such farfetched statements not seriously compromise the credibility of the finance minister and are they not a definite indication that panic has struck the federal side?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the finance minister was right. He said there are one million jobs in Quebec that are affected by export industries, including those that export to the rest of Canada, and that Quebec's separation would create considerable problems in this area.

What he said was perfectly true and is supported by the statistics. It is an indication of the extremely negative economic consequences of Quebec's separation.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, would the Minister of Intergovernmental Affairs not agree that his colleague in the Finance Department has gone too far by taking such an irresponsible approach, since his responsibility and first duty as finance minister is to avoid any statements that might cause a negative reaction on the financial markets?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the finance minister also has a duty to point out what would really happen if Quebec separated.

In his role as finance minister, he has an obligation to point out that separation will not only cost us hundreds of thousands of jobs, as the leader of the no committee said, but also that many jobs would be affected by changes occurring subsequent to separation, and particularly by the fact that, as the finance minister pointed out, Quebec would have to renegotiate its entry in NAFTA and the successor organization to GATT.

These are aspects that will create substantial economic problems in Quebec and, once again, the finance minister has a duty to point this out to Quebecers.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, does the Minister of Intergovernmental Affairs not realize that the finance minister's apocalyptic speech, which was actually received with some scepticism by industrial development advisers, gets us nowhere and is in fact oddly similar to the speeches they made on free trade a few years ago, and which subsequently turned out to be all wrong?

• (1420)

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the supporters of the yes committee, which includes the Bloc Quebecois, would have Quebecers believe that separation will take place without a hitch, without any negative economic consequences, without any impact on Quebec's relations with the rest of Canada, the United States and Mexico.

That is not true, and it is not enough to wave a magic wand and say "Poof! Let the problems vanish!" for them to vanish.

Some hon. members: Oh, oh.

Mr. Massé: The truth is that separation will create tremendous problems, it will affect investment in Quebec, jobs and exports. Whatever the Bloc and the PQ say, it is important to get the truth out and that Quebecers know on October 30 what the real consequences will be of separation.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

In an effort to add weight to his apocalyptic speech, the Minister of Finance claimed that business in Quebec would no longer be able to export to the United States, as if a veritable great wall of China was going to be built around Quebec.

Will the minister not acknowledge that, the day after a yes vote, American and Canadian businesses will not want to lose their privileged access to Quebec markets and that this unavoidable reality makes the apocalyptic scenario of the Minister of Finance completely ridiculous?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, it is obvious that there is no guarantee at all of this in the event a yes vote.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, the Deputy Prime Minister should know that the Americans will be looking for stability in their trading with Canada and Quebec the day after a yes vote.

Does the minister not agree that nothing will better ensure the stability that the United States, and Canada as well, will be looking for than Quebec's early entry into NAFTA, as a number of American experts have already pointed out.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, only a no vote will ensure Canada's economic and commercial stability.

Today, the figures are coming out. In the month of August, Canada had an all time record volume of foreign trade.

[*English*]

In the month of August there was the highest ever increase in real exports from Canada to countries around the world. The best way to protect the interests of Quebecers and Canadians in selling our goods around the world is to keep Canada together.

HEALTH CARE

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the unavoidable reality of health care financing is that federal financial support of health care is declining in absolute terms. Under this government, federal funding has fallen to 22 per cent of the overall health care bill, with $7 billion in cuts in health care transfers projected.

The provinces are wondering, the Canadian people are wondering, how the minister expects the provinces to replace the health care transfers she is withdrawing. She says they cannot charge the patients. She is against facility fees and she does not want private capital involved.

Is the minister therefore proposing that the provinces impose additional health care taxes to replace the federal medicare funding she is withdrawing?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, perhaps I can explain to the hon. member what was contained in last February's budget. We will have a combined transfer called the Canada health and social transfer which, yes, will be cut. It includes not only health care, but many other services.

Let us look at this in the proper context. For instance, in education, social programs and health, expenditures amount to about $100 billion in one year. Next year the cut will be in the neighbourhood of 3 per cent or slightly less. While it will be a challenge to manage this, we do believe that a less than 3 per cent cut is manageable.

• (1425)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I know when the minister took this job they told her there would be no math, but there is.

There are only four sources of health care financing: federal transfers, patient contributions, private capital and provincial tax dollars. The minister is reducing the federal transfers. She is against the patient contributions. She is against the private capital. Therefore the only other source to replace the federal transfers is provincial tax increases.

If the minister is against all these things in reducing the transfers, will she not admit that she is in effect telling the provinces to get the additional revenue through provincial tax increases? Yes or no?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I will repeat again what has been stated by all health economists across the country: It is not more money that is needed in the system; it is a different way of spending.

What the hon. member is suggesting is the easy way out: a U.S. two–tier style system, one where the rich get the best treatment and for the rest of Canadians thank you, it is too bad.

We are challenging all Canadians to work together to embrace those values which mean that we all get the same kind of access based on need. It is first class service that we want for everyone.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Canadian Constitution assigns responsibility for health care to the provinces. The federal government only gets involved through the exercise of its spending power which is now declining. The minister is the first federal Minister of Health to preside over annual reductions in federal transfers to the provinces for health care which is resulting in closing beds, waiting lines and friction with the provinces.

Will the minister acknowledge that there are now distinct limits to the federal power over health care policy? Will she tell the House how those limits will affect her dealings with the provinces of Canada?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we continue to transfer considerable dollars to the provinces. As long as we transfer dollars to the provinces, we can ask that they respect certain principles. We say to them, yes, manage the system. We are giving them as much leeway as possible. We are very flexible but flexibility does not mean tearing up the Canada Health Act.

This government stands for something which is valuable and which all Canadians stand for. Reform Party members are the only ones who believe in tearing up the Canada Health Act.

* * *

[*Translation*]

STABILIZATION PROGRAM

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

After trying in vain for a reimbursement of $127 million for fiscal year 1991–92 under the stabilization program, Quebec is forced to appeal to the Federal Court in order to win its claim. Unperturbed, the Minister of Intergovernmental Affairs responded cynically and arrogantly that it was perfectly normal for Quebec to apply to the courts. Are we to understand that the Minister of Intergovernmental Affairs considers it normal for Quebec to have to apply to the courts to obtain what Ottawa has owed it for the past four years? Is this what they call flexible federalism?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, flexible federalism in recent years has worked very well through negotiations with the various provinces. Specifi-

cally, for example, thanks to our action plans with nine provinces in Canada, I have signed—and I will leave it to them to guess which province has not signed—we have reached 64 agreements with the provinces, including a dozen with Quebec, before the election of the Parti Quebecois, but afterwards, zip.

• (1430)

So, in terms of negotiations, clearly we resolve most of our problems through negotiation. As for this particular problem, Ms. Beaudoin has already come and presented her problem. In our opinion, there is nothing owing, nothing to pay. The regulations are clear: the Province of Quebec, in this case, is not entitled to payment, and we have told Quebec that we were prepared to let it go to court, that we would provide whatever assistance it needed to go to court and that it should get a decision from a court of law. This is the normal process.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, does the fact there were a number of agreements before the arrival of the Parti Quebecois not mean that the principal supporters of a no vote, with Mr. Johnson as a fine representative in Quebec, accepted any old thing from the federal government? This is why there were agreements. We, however, stand firm—that is the difference.

How does the minister explain Quebec's receiving only 8 per cent to date of the funds from this federal stabilization program, when Ontario has received six times as much, that is, 44 per cent?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I should point out that the Province of Quebec has done fairly well in dealings with the federal government, because, for example, according to the study by George Mathews, one of the Le Hir studies, Quebec pays only 21 per cent of federal and other taxes, but receives 26 per cent of spending.

So, when we look at the whole picture, we see clearly that Quebec receives a much larger share for valid reasons. Stabilization payments are made when there is a shortfall. The shortfall depends on all sorts of things that have to do with economic conditions and that are therefore subject to them and not to a system of sharing or of percentages between provinces.

* * *

[*English*]

HEALTH CARE

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the health minister is fond of saying health care should not depend on the size of one's wallet. What about the size of the waiting list? For a hip replacement in Manitoba it is 61 weeks; 1,200 Ontarians waiting for heart bypasses; a 44–day delay in radiation for breast cancer treatment, three times longer than the medical college says is acceptable. People are dying on these waiting lists.

When will the minister even admit there is a serious problem with the health care system and that she is causing the violation of the principle of accessibility in the Canada Health Act?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I suggest the hon. member deal directly with the provinces when it comes to waiting lists. She used two examples in her question, one respecting heart bypass surgery.

There has been an announcement I believe from Ontario that it will be shortening that list. It will be transferring more money into that area. Recently there was another announcement in Ontario of a new centre for cancer treatment which will shorten the line for breast cancer treatment.

That is what happens in a system that has everyone in it. Public pressure asks governments to transfer funds to where they are most needed. We think that is the way it has to be. That is how we have been well served in the past and that is how we should continue to be served.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, so yes, she is admitting accessibility is being violated and that these lines are getting shorter because people are going to the States, not because the health care system is getting any better.

The health minister should open her eyes and take a good look at the health care system. If she did she would see these massive reductions in hospital closures and Canadians buying American waiting list insurance to stay alive. This is ridiculous.

• (1435)

What specific action does she plan to take to reduce the waiting lists to ensure Canadians are getting the most advanced, the most effective and the most timely medical attention available?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I answered that question in my previous answer. I remind the hon. member our medicare system has received applause from around the world because it is first class.

The idea that we should move to a U.S. style two–tier system is unacceptable to every member of my caucus. All the premiers say they support the Canada Health Act. Ministers of health from across the provinces support the Canada Health Act. Medical associations, nurses associations, hospital associations and the people of Canada support the Canada Health Act. The only exception is the Reform Party.

[*Translation*]

CHILD CARE SERVICES

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

It seems that it is the minister's intention to release a national child care strategy within a few weeks. Here again, this is a reform that is ready but will not be made public until after the referendum.

Are we to understand that the reason for the minister's refusal to make his strategy on child care services known before the referendum is to avoid having to confirm his intention of imposing national standards on Quebec in an area of provincial jurisdiction?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, once again the hon. member for Mercier is in a bit of a time warp in a number of respects. We have already indicated to the provinces and to other partners that we are prepared to cost share child care. We had a major meeting of deputies almost a year ago at which we offered to pay 50 per cent of the cost of new spaces.

Fortunately a very important initiative was taken up by the First Nations people. We are almost ready to conclude an agreement with the First Nations Assembly for 6,000 new child care spaces sponsored by our First Nations people. We hope to have that concluded in a couple of weeks.

Because certain provinces are now engaging in restricting child care, I simply wrote to the Ontario minister to remind him the federal government is willing to be a partner in sharing the cost of child care so these spaces do not have to be closed.

I hope the hon. member will help carry that message because child care is very important to many Canadians.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the minister is quick with his irony, but he has not answered the question.

Is he committed to not making Quebec's compliance with federal standards a condition for funding of child care services?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we made it very clear that we are prepared to provide cost sharing over a five-year period and that it is the jurisdiction of the provinces to decide how that money would be allocated. I am simply waiting for a response. I am not trying to be quick witted but it takes effort when dealing with Bloc questions.

The provinces make these decisions. I want to ensure we can provide, as we do in many other areas, a national response so we can share and pool our resources to ensure areas with fewer resources are considered. That is why I took some interest today in the minister of employment in Quebec when she talked about totally fragmenting the national unemployment insurance service for Quebecers. It would put at risk thousands upon thousands of Quebec workers who would no longer have access to a national unemployment insurance program.

* * *

• (1440)

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the health minister does not want U.S. style health care and that is good; neither do we. However, we want what Canadians want, choice in health care as in Sweden, Denmark, England and many other countries. Those countries all respect choice.

Why will the health minister not offer Canadians choice beyond medicare?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, Canadians have the best choice of any country in the world. They get the best services no matter who they are, no matter where they live, whether or not they have money.

It is determined by the degree or the severity of their needs. That is the way it should be. That is the way Canadians want it.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, there are only three countries in the world that do not offer choice beyond medicare: North Korea, Cuba and now Canada, thanks to the health minister.

Will the minister listen to the appeal of Canadians for choices beyond cutbacks, for choices beyond waiting lists, for choices beyond line up, shut up and check out?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the hon. member exaggerates when he tries to compare us with Cuba and such countries when we have the best medicare system in the world.

The hon. member would like us to give people a choice. Is it something like the choice to buy a box seat at the SkyDome? Having an illness is not like going to a baseball game.

We believe we need the best for people as they need it, and the very best is what we have had in Canada. We will continue to support that.

[*Translation*]

MILK INDUSTRY

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the minister of Agriculture.

According to an unsigned study referred to by the chairman of the no committee Daniel Johnson, Quebec would lose no less than a third of its 11,000 dairy farms by voting yes. This doomsday scenario was immediately denied by Claude Lafleur, director of the Union des producteurs agricoles and labelled by him as "catastrophist, extremist and improbable".

Will the minister admit that it is in the interest of producers and the milk processing industry to reach an agreement with Quebec in order to preserve the system of supply management, particularly as protection against American competition, as all those involved in this sector are aware?

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the remarks made yesterday by Mr. Johnson and Mr. Vallières in Quebec with respect to the earlier studies issued by Minister Le Hir were very solid and very credible criticism of Mr. Le Hir's reports which were a total distortion of the true picture.

This criticism has come not only from Mr. Johnson and Mr. Vallières. It has come from several prominent Quebec university professors. It has come from U.S. trade policy experts like Mr. Chip Roh and it has come most recently, quoted in today's *La Presse*, from Mr. Yvon Proulx, the chief economist of the UPA.

• (1445)

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, the minister should read the magazine *L'Actualité* because that information comes from an unsigned Quebec Liberal party document. The authors are even ashamed to acknowledge that they wrote it—that is Liberals for you.

An hon. member: Get some information.

Mr. Bellehumeur: This is disinformation.

Does the minister acknowledge that Canada will negotiate to preserve the supply management system, for if the laws of the marketplace were to apply we Quebecers would come out on top because we in Quebec have the production and the most profitable producers—that is the truth.

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, today Quebec enjoys great strength and stability in its dairy sector, with some 12,000 commercial dairy farms, $1.3 billion in cash receipts from milk production, milk quota values in excess of $2 billion, 20,000 jobs in rural Quebec, 83 dairy processing plants, 7,400 processing jobs in those plants, and 47 per cent of the Canadian national industrial milk quota. All that is to the advantage of Quebec because of Quebec's participation in the Canadian supply management system.

* * *

MINING

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, my question is for the Minister of Natural Resources.

The Canadian mining industry is one of the key sectors of our economy, creating over 300,000 direct jobs on which 150 communities depend.

An hon. member: Do you speak French?

[*Translation*]

Mr. Serré: Certainly, we are bilingual in Ontario. We speak both languages.

Could the minister indicate to the House the principal measures initiated by our government to support and promote the development of a dynamic mining industry in Canada?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me reassure the hon. member that the government understands the importance of mining to the nation and to our economy. We are committed to ensuring its ongoing prosperity and sustainability.

Mr. Stinson: Then quit giving them the shaft.

Ms. McLellan: One of the interesting things, for anybody down there who would like to listen, is the fact that when we talk to the mining industry its major concern is regulatory reform.

Our government is committed to reforming regulations applicable to the mining industry. That is why my colleague, the Minister of Industry, has included the mining sector as one of only six to go through substantive accelerated regulatory reform. We are doing that so there is a prosperous mining industry all over the country, including Quebec.

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HEALTH CARE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, my question is for the Minister of Health.

Seventy per cent of B.C. residents are already enrolled in private insurance plans to pay for certain services, including long term and extended care. The desire of B.C. residents is choice in medicare.

Why will the minister not acknowledge the desire of B.C. residents and other Canadians in allowing for genuine medicare innovations and reforms through choice?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, Canadians have the best choice of all. Without having to worry whether or not they can afford it, they can choose which doctor and which hospital. They can choose without undue pressures and financial hardships.

• (1450)

The hon. member speaks of British Columbia. That province agreed with the federal government and was the province that moved most quickly and banned all extra billing, user charges, and facility fees by October 1 of this year.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, my supplementary question is for the same minister.

The minister is selective in what she will tolerate. Private insurance plans are tolerated, yet the minister intends to stomp out private clinics. In B.C., private cataract eye clinics have been shut down, forcing seniors to be added to unacceptably long public waiting lists.

Why is the minister discriminating against seniors while permitting other private options to continue? Why the inconsistency?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the Canada Health Act says that the provincial plans must cover medically necessary services for the residents in their provinces. That is what is happening. That is what we will ensure continues to happen.

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[*Translation*]

QUEBEC AGRI–FOOD INDUSTRY

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, my question is directed to the Minister of Agriculture.

Information provided by the federal Department of Agriculture confirms that this department has been particularly remiss in its treatment of Quebec. In 1994–95, the agri–food industry in Quebec received only 10 per cent of Agriculture Canada's budget, although Quebec has more than 21 per cent of Canada's agri–food industry.

Does the minister agree, as confirmed by information provided by the federal department of agriculture, that the way his department's expenditures are budgeted is unfair to Quebec's agri–food industry?

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): No, Mr. Speaker, I would not make that admission. One has to take into account the entire range of federal policies that apply to agriculture. In some cases those policies provide for grants and contributions, either to producers directly or to producer organizations, marketing systems, institutions and so forth.

Another very valuable form of contribution by the Government of Canada comes in the form of our regulatory system that creates Canadian supply management, and 45 per cent of Quebec agriculture falls within the jurisdiction of the Canadian supply management system, which results in billions of dollars worth of benefits to Quebec and Canadian consumers and producers.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, the minister talks about sectors. My point is that the federal government gives us 10 per cent, although the agri–food industry in Quebec represents 21 per cent of the entire sector.

Since the Liberals came to power, the minister has done nothing about this unfair treatment of the agri–food industry in Quebec.

Would the minister agree that closing the federal agricultural research centre in La Pocatière will merely exacerbate the current situation?

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I am glad the hon. gentleman makes reference to agricultural research. If we were to apply the hard and fast formulae he just suggested to the field of agricultural research, it would result in a cutback with respect to the province of Quebec.

In fact we have 18 national centres of excellence in agricultural research and development in the country. Four of them are located in the province of Quebec, at Ste–Foy, at Saint–Jean–sur–Richelieu, at Lennoxville and at St–Hyacinthe, which is the highest number in the country.

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HEALTH CARE

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, as the discussion goes back and forth with the Minister of Health, I hear her saying that Canadians get the very best choice.

Some hon. members: Hear, hear.

Mr. White (Fraser Valley West): And we hear the nonsense that goes on over there along with it. That is not very comforting to the families who have lost people waiting in line for health care.

• (1455)

I would like a straightforward answer for a change from the minister. Is the Minister of Health intent on banning all private clinics in Canada? Just a yes or no, nice and simple. Can she answer?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we are intent on protecting the principles of the Canada Health Act.

The answer is yes. The answer is yes, we are going to continue to protect the Canada Health Act. Yes, yes, yes, yes.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, yes, they are banning all clinics. It is good to have an answer. It is like the answers we get from the minister of public works and the minister of culture.

Why is the minister not demanding that Quebec stop charging facility fees on privately run abortion clinics?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, let me come back again to what the letter of January 6 was all about. It concerns all provinces. We are now going into every province and we are determining what is happening in each province. That is what is happening.

If there are facility fees being charged and they are not right in any province then we will move in that direction. Many provinces have indicated that they are now negotiating or are addressing the problem as British Columbia did. That is what it is all about. It is about ensuring equitable access for everyone.

* * *

[*Translation*]

DAIRY INDUSTRY

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the separatists seem more interested in winning the referendum at any cost than in dealing with the real problems of Quebec farmers.

My question is directed to the Minister of Agriculture. Could he explain how being part of Canada benefits dairy farmers in Quebec?

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I had the opportunity in an earlier answer to outline some very impressive statistics about how the Canadian supply management system benefits the dairy industry in the province of Quebec.

By the very fundamental definition of supply management, the domestic market of a producing country is preserved primarily for the benefit of that country's domestic producers. A separate Quebec would obviously no longer be part of the Canadian domestic market. As a result the dairy industry in Quebec could be placed in very substantial jeopardy.

The clearest, best, strongest answer for preserving all these benefits for the dairy industry in Quebec and for the dairy industry in Canada is a clear and decisive no on October 30.

* * *

[*Translation*]

DEPARTMENT OF JUSTICE

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is directed to the Minister of Justice. Last spring, the Bloc Quebecois condemned the blatantly unfair treatment of Quebec by the Department of Justice when professional and special contracts are awarded. In his reply, the minister confirmed our statements, in other words, Quebec is losing out on contracts awarded by the Department of Justice.

Today, could the Minister of Justice explain why Ontario, his own province, gets 80 per cent of the total value of his department's professional and special contracts, while businesses and individuals working under contract in Quebec get only 6 per cent?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, indeed it was last spring the hon. member put those questions. It was on that occasion that I provided the response and the response remains the same. The Department of Justice, like all departments of government, pursues a policy of open and competitive bidding for all work awarded by contract.

I can tell the hon. member that no matter how the statistics might be used for present partisan purposes, the results and the advantages of the research and the work done at the Department of Justice are shared equally by all Canadians.

* * *

• (1500)

HEALTH CARE

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I would like to come back once again to the question of waiting lists.

It was a cold Friday in January 1980 when my wife was diagnosed with breast cancer. I am very grateful that her life was spared because of the speedy surgery which a very competent surgeon recommended and performed three days after the diagnosis.

Point of Order

My wife now counsels and consoles women in the same situation. They are waiting in line while the government is funding boxes in domes with its infrastructure program. What is the government going to do about that? What should my wife tell these women who are waiting in line while their lives are being threatened?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the hon. member's wife was well treated when she became ill, thanks to Canada's good medicare system.

Yes, there are challenges and they are not always easy to meet. However, we do not meet them by ripping up something that is very good. They are met by working at protecting the very values which have served Canadians so well.

It is very important that all Canadians continue to have access to the services they need, not just because they can afford to pay extra for them, but because they need them. We have to work very closely with provincial governments, which we are doing. We are going to continue to do that.

It is a question of equity and good access, not of having some get ahead in the line because they can pay more. That is not what is fair. Think of the 38 million Americans who have no insurance at all. What kind of lines are they in?

* * *

PHARMACEUTICALS

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

Prescription drugs represent 17 per cent of the total cost of health care in the country. These prices have increased 13 per cent each year over the past eight years due to Bill C–91, which the Liberals opposed in opposition but seem to support in government.

The government can save Canadians nearly $1 billion yearly, simply by doing one thing: repealing Bill C–91 or, at the very least, abolishing the automatic injunction clause of the patented medicines regulations.

Why will the government not stop the pharmaceutical drug manufacturers from ripping off Canadians with usury pricing of prescription drugs?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first let me help the hon. member with some of his statistics because I think he would want to get them right.

First, 15.1 per cent of national health expenditures in the last year for which we have full statistics were for pharmaceuticals. Patented drugs only account for 40 per cent of the pharmaceuticals purchased in those expenditures. In addition, with respect to patented medicines, and this is determined by an independent board, the price increase from 1987 to 1994 was 2.1 per cent per year.

If the hon. member begins to take those statistics into account he might phrase his question a little differently. As he knows, and I have assured the House several times, we are reviewing Canada's drug patent policy. In addition, under Bill C–91 there is a parliamentary review process that will be invoked in 1997.

* * *

[*Translation*]

POINT OF ORDER

ORAL QUESTION PERIOD

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I rise on a point of order. I am happy to note that the hon. member for Roberval is here while I raise this issue.

During question period, my colleague, the hon. member for Timiskaming—French River decided to put a question to a government minister. He chose to do so in English, which is obviously his second language. While he was on his feet, a heckler on the other side of the House asked the hon. member: "Can't you speak French?"

• (1505)

[*English*]

The Speaker: All the more reason that we have to be ever vigilant in the words we use in the House of Commons. I did not hear the statement. Of course this is not a point of order but I am sure the point made by the government whip has been taken.

AUDITOR GENERAL'S REPORT

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I rise on a point of order concerning the auditor general's report tabled on October 5, 1995 and referred to the Standing Committee on Public Accounts.

I contend that the tabling and referral to the committee of this report is out of order because the report in question contravenes the Auditor General Act and the conventions and prerogatives of the House.

I draw attention to section 5 of the Auditor General Act which defines the position as the "auditor of the accounts of Canada" and section 7(2) which sets out the parameters of the auditor general's reports. This paragraph empowers the auditor general to report that the records of the public accounts were faithfully kept, that expenditures have been made only as authorized by Parliament and with due regard for efficiency, and that due measures are taken to measure the effectiveness of programs.

In his latest report the auditor general has clearly overstepped the legal and customary boundaries of his duties as a servant of the House and in my judgment has interfered with the rights of the House by making politically biased statements. Let me illustrate this claim with some direct quotations from the auditor general's report in question.

In paragraph 9.84 the report states: "We think that Parliament and the public need to focus on debt issues, particularly the amount of debt we carry". The auditor general exists to help Parliament hold the government to account and not to hold Parliament to account for failing to adopt a particular policy. No company of shareholders in the private sector would accept an auditor's report that expressed an opinion about how the shareholders conducted themselves at meetings, rather than help the shareholders assess the management of the company. I contend that neither can we in the House.

The auditor general further infringes on the rights of the House when he writes in paragraph 9.107 concerning the level of public debt:

> Determining a strategy to achieve that vision is something the government and Parliament need to debate and develop a consensus on.

I do not need to remind you, Mr. Speaker, that the House does not necessarily exist to create a consensus around a particular economic theory. There are different and differing political theories and different political stances in the House. Therefore I contend that the House exists to hold the government of the day accountable in a way that reflects the diversity of political opinion in the country and that this is not recognized in the auditor general's report.

The duty of the auditor general as set out in law is to aid Parliament in that task by providing technical information about the state of the public accounts to assist members of the House in their debates. It is not to preach to Parliament about what the conclusion of that debate should be.

The same criticism can be applied to paragraph 9.52 of the report which states:

> The reality is that (interest rates) are not lower, and had it been a simple matter of making them lower in the 1980s and 1990s as they were in the previous 20 years, governments would have undoubtedly done so.

I would happily debate this point with anybody in the House, for it is common knowledge that the Bank of Canada under John Crow deliberately chose to dramatically increase interest rates in quest of a zero inflation rate.

My procedural point is that I cannot argue this point with the auditor general because this statement comes in the form of an ex cathedra pronouncement of an auditor who is presumed to provide objective assessments of the public accounts. Yet I can think of no principle of accounting that would allow an auditor to offer such a tendentious historical verdict on the motives of past governments, a verdict which supports a particular political position on what caused our fiscal problems and what should be done about them.

Point of Order

Because the auditor general like yourself, Mr. Speaker, is a servant of Parliament, he should not use the authority of his position to advance political arguments as if they were uncontested accounting principles. His reports must demonstrate the highest degree of political neutrality. He cannot perform the role of auditor as set out clearly in the Auditor General Act if he uses his position to take sides in debates that properly take place in the House. The auditor general has therefore overstepped his legal and customary duties in his latest report.

• (1510)

I ask you, Mr. Speaker, to consider two measures to defend the rights of the House to have access to an objective auditing of the public accounts. First, I ask you to rule the tabling of the October 5 report to be out of order and to have you ask that the auditor general submit an amended report that conforms to his duties as set out in the Auditor General Act. Second, I ask you to refer the matter of the terms of reference for auditor general's reports to the Standing Committee on Procedure and House Affairs.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I was not given prior notice of this point of order.

It strikes me as a rather serious challenge by the hon. member that the auditor general should not be independent of government, not be independent of the opinions of the House when he studies the efficiency of the government and the spending of government. Certainly if the auditor general does not have the independence to make suggestions on whether or not governments have acted prudently, we have stripped him of his power and we have stripped him of his reason for being. Therefore I disagree with the hon. member. I think his argument is very weak and should not even be considered in the House.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member for Winnipeg Transcona has argued with his usual erudition but I submit that even in his wildest dreams he could not have imagined that the point he has raised is really a question of privilege.

I refer Your Honour to—

Mr. Blaikie: A point of order, I said.

Mr. Milliken: A point of order. I thought he said it breached the privileges of the House, Mr. Speaker, and that he wanted it ruled out of order because it breached the privileges of the House, because it interfered with our privilege to manage our financial affairs, the financial affairs of the country.

I turn to citation 24 of Beauchesne's sixth edition where it states:

Parliamentary privilege is the sum of the peculiar rights enjoyed by each House collectively as a constituent part of the High Court of Parliament, and by Members of each House individually, without which they could not discharge their functions.

I submit that in the tabling of this report there has been no impedance with members' functions or their ability to discharge their functions. We have here a situation where the hon. member disagrees with some of the contents of the report. I have no doubt the government disagrees with some of the contents of the report as well. I suspect if I read it all as thoroughly as the hon. member obviously has I would probably disagree with parts of the report.

However the place for him to take his complaints is not to the House to have the report ruled out of order. The auditor general has a right to submit his opinions to the House. He is an officer of the House and that is his duty. Surely the hon. member should go to the public accounts committee and complain about the report if he disagrees with it. Then the public accounts committee would report to the House saying it disagrees with the auditor general's report if the committee agrees. Surely that is where this complaint ought to go.

The hon. member has not raised a point of order or a question of privilege in my submission. He has raised what I can only suggest is a complaint. He disagrees with the report, fine. He should go to the committee and express his disagreement. That is what the committee is for. That is why it has been referred there.

The Speaker: I think a very important point has been raised today. I take under advisement the opinions of the member for Kindersley—Lloydminster and the member for Kingston and the Islands.

I would like to look at this a bit more closely in view of what has been said today and I would like to more inform myself of the particulars. I will reserve a decision on this point and get back to the House when and if it is needed.

Is this on the same point of order? I do not want to get into a debate going back and forth.

Mr. Blaikie: Mr. Speaker, first of all I want to apologize to my colleagues for not having given more notice and for that matter any notice. I would hope that some of the comments that have been made might change when people have an opportunity to think about it.

The very fact the member gets up and says that I disagree with something in the report is the point I am trying to make. The report should be of such a factual nature that there is nothing in it to disagree with. It should be a report on various facts of a technical nature. The fact that I can find something to agree with or somebody else can find something to disagree with is the point I am trying to make about the report.

Nobody elects the auditor general to make these kinds of judgments. I think we have a situation here that—

• (1515)

The Speaker: I appreciate the member's intervention. I am sure he will agree with other members of the House and with me when I say that I would like to reserve my decision on this matter. I would like to inform myself a little more and get back to the House.

I have a point of privilege from the hon. member for Madawaska—Victoria. Does this point of privilege arise from the question period today?

Mrs. Ringuette-Maltais: Yes.

* * *

[*Translation*]

PRIVILEGE

ORAL QUESTION PERIOD

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, my question of privilege is in regard to comments that were made during today's oral question period.

When my colleague from Timiskaming—French River asked his question, part of it was in English and part of it in French. As he was starting to formulate his question, we heard the Bloc member for Roberval's comments. This is a question of privilege, Mr. Speaker, and I want to thank you for hearing me out. We heard the hon. member for Roberval shout in this House to the hon. member for Timiskaming—French River: "In French, please. In French".

My question of privilege is as follows: Canada has the charter of rights and freedoms and the Official Languages Act.

The Speaker: One moment, please.

A point of order was raised today but I ruled that it was not a point of order.

[*English*]

I have ruled on that. I was waiting for the hon. member to get to the point of privilege. It would seem to me at least at this point that we are engaging in debate on a decision I have already taken about a point of order.

To this point at least I have not heard any argument that would deem this to be a point of privilege.

Some hon. members: Oh, oh.

The Speaker: Exchanges take place in the House throughout question period, indeed throughout debate.

I did not hear the statement that was alleged to have been made. Surely we have to be able to tolerate a certain amount of give and take in the House. This is the point I would like to impress on the House. There are going to be times when words may or may not have been used that hon. members say they heard. In my view this is not a point of privilege.

Privilege is about what would impede a person from speaking, from voting, from coming to the House. It was raised as a point of order and I ruled on this as a point of order.

In my view this is the same point and I would like the matter to rest there.

[*Translation*]

Mr. Gauthier: Mr. Speaker—

The Speaker: You have the floor.

Mr. Gauthier: We will check up on what was said—

The Speaker: Order, please.

Dear colleague, this is neither a point of order nor a question of privilege, and I would like to leave it at this.

Mr. Gauthier: May I ask a question, please?

The Speaker: I am prepared to hear you on another point of order, but not on this one. I recognize the hon. member for Roberval.

Mr. Gauthier: I rise on a point of order to ask you, Mr. Speaker, since you are here to provide guidance, how, according to standard procedure, I should go about setting the record straight when a member puts words in my mouth that I never said.

I would like to know what to do, so that I can then raise my point of order, Mr. Speaker.

• (1520)

The Speaker: Dear colleague, normally, what would happen is that you would simply rise on a point of order and state that you did not say any such thing. At any rate, I do not want to embark on a long discussion on this matter. So, if you wish to go on record in *Hansard*, I will allow that, but nothing more.

Mr. Gauthier: Very well, Mr. Speaker, because I respect your decision, and it is truly for that reason that I will comply. For the record, I would just like to say that the words the hon. member for Madawaska—Victoria ascribed to me are incorrect. I never said that, plain and simple.

[*English*]

The Speaker: We are entering debate and we do not want to go down that road. I have made a ruling. The hon. member wanted clarification. I told him how he could do this. I permitted him to make the one statement which he made. It is on the record and it is clear. I ruled on a point of order earlier and, colleagues, I wish you would accept that point of order.

I have ruled on the point of privilege by saying that it was not a point of privilege. I wish you would accept that. I would like to let this matter rest now where it is.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

NATIONAL CO–OPERATIVE WEEK

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, in my capacity as federal minister responsible for co–operatives, I wish to take the opportunity today to recognize and salute National Co–Operative Week and International Credit Union Day in Canada.

Since pioneer times Canadians have found it beneficial to work together toward common goals. The co–operative movement springs from that community effort and involvement.

An important part of our economy, co–ops provide over 133,000 jobs and represent more than $140 billion in assets. Non–financial co–operatives have a volume of business of $20.7 billion. Together, caisses populaires and credit unions represent the fifth largest financial network in Canada.

[*Translation*]

This year is important for the international co–operative movement, as it marks the 100th anniversary of the International Co–operative Alliance. The ICA represents more than 753 million members from 90 countries. The conference held in Manchester in September was a major event for the international co–operative movement. Revised co–operation principles were adopted that will propel co–ops into the 21st century. In this respect, I think that it would be proper to pay special tribute to Ian MacPherson, from British Columbia, who spearheaded the process.

• (1525)

[*English*]

Co–operatives are an effective way of providing a wide range of goods and services to their members and to consumers. While many co–operatives operate in urban centres, they have been especially effective in developing businesses and creating employment in rural areas and small communities.

Through co–operation, many Canadians have established new businesses and expanded into new or unique ventures. For example, the Seaway Valley Farmers Energy Co–operative in eastern Ontario will produce ethanol from locally grown grains.

Involvement in co–operatives has helped many thousands of individuals learn new business and management skills. This not only helps them to manage their co–operatives but also gives them the skills to better manage their own enterprises and allows them to grow and expand.

[*Translation*]

I want to mention how committed our young people are to the co–operative approach. Students have started co–ops in their schools to provide services in areas such as savings, housing, school supplies and computing science and, in some instances, to create summer jobs for themselves.

[*English*]

I urge all members, in our deliberations today and on every other occasion, to consider the potential of co–operation as a tool to help the country to continue to be a nation that is innovative, dynamic and proud of its accomplishments.

From my home province of Saskatchewan in the west where our people demonstrate a high level of participation in co–operative organizations to Quebec, which also enjoys a high level of co–operative activity, the co–op movement is one very important bond of strength and unity.

I congratulate the Canadian co–operative movement on its achievements and wish it much success in the years to come.

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, it is with great respect for all those who have contributed to the development of co–operatives that I want to emphasize the importance of National Co–Operative Week and of International Credit Union Day.

The co–op movement reflects the values of mutual help and solidarity which are dear to Quebecers and Canadians. In many regions, the co–op movement provided the solution to ensure an harmonious development geared to the needs of the local community. Agricultural co–operatives were among the first to support the economic development of our regions. They provided an efficient and economical tool to ensure that the required services were available for agricultural production. Co–operatives have played, and continue to play, an important role in job creation. They provide over 133,000 jobs to Canadians and Quebecers.

The co–op system has fully shown its usefulness. It is an important component of Quebec's economy. Just think of the strength of the Caisses populaires Desjardins and of the dairy co–operatives. The co–op movement is based on a local community taking charge; by pooling its resources and working as a team, it can be very successful.

This year marks the one hundredth anniversary of the International Co–operative Alliance. It is an opportunity to reflect on the fact that, for decades now, people all over the world have believed in the virtues of the co–op movement and have worked hard to make these known to others.

I congratulate these people, I encourage them to keep up the good work, and I wish them the best of success in their future endeavours.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I appreciate the opportunity to speak on behalf of my Reform colleagues with regard to National Co–Operative Week and International Credit Union Day.

The co–op movement has a long and proud tradition in my province of Saskatchewan. It has played a significant role in the development of the province, in our nation and lands beyond our borders.

I pause to reminisce for a minute. My father was involved in some of the early co–operative movements. In fact his membership number in the Western Credit and Savings Union in Swift Current, Saskatchewan was 152 which indicates some of the history and grassroots nature of the movement.

• (1530)

Like most people in the prairies and perhaps across Canada, I belong to several co–operatives. Interestingly enough, one of the first meetings I had as a member of Parliament was with the credit union management, members and boards of directors in west central Saskatchewan. It was a very profitable meeting, indeed. They were concerned about federal issues that are dealt with by the Parliament of Canada and they were happy to meet with their MP.

The concept is simple and sensible. A group of consumers or producers band together to strengthen their bargaining position in the buying and selling of products. When members are buying they increase their competitive edge and when they sell they lower their marketing costs.

Co–ops have had their ups and downs, their triumphs and failures, as do most business enterprises, but they have been most successful when they have stayed out of the world of politics and focused on doing business and doing it well. Co–ops are businesses, and their job is to do business effectively for their owners, who are the co–op members, ordinary people who buy and sell.

Today I extend my best wishes to the co–ops and credit unions of Canada and the world. This includes their members, their boards of directors, their employees and their millions of customers.

Mr. Blaikie: Mr. Speaker, I rise on a point of order. I seek unanimous consent of the House to speak on behalf of the NDP on this matter.

The Speaker: Is that agreed?

Some hon. members: Agreed.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I am pleased to join with other colleagues in the House who spoke on behalf of their parties in congratulating the credit union movement and the co–op movement on the occasion of National Co–Operative Week and International Credit Union Day.

Needless to say, the New Democratic Party has political roots in the co–op movement, of which all members of the House will be aware. We are very pleased to be able to join in marking this week and this day.

It is important at a time when the language of competition is prevalent to remind ourselves that there is another way of looking at the world. It is a way of looking at the world that is rooted in a very Canadian way of doing things in the co–op movement.

Co–operation is also a good word. Whatever benefits may come from competition, and I would be the first to debate some of them, we ought to realize that co–operation is another way of doing things and one that has been represented very well in the country over the decades by the credit union movement and the co–op movement.

I call upon members of the House and the government to protect this tradition in everything they do. Various things are under attack from various places, whether it is the budget for co–op housing, the attack on the wheat board or various other things, all of which represent manifestations of this co–operative spirit in our political, social and economic history.

I am pleased to join with other colleagues on behalf of the NDP in marking this occasion. I hope we will keep in mind at all times the value of this tradition and the value of advancing it in every way we can.

The Speaker: I received a note during question period about a point of order to be raised by the hon. member for Elk Island. With your permission, I would like to finish the routine business and before we get into the orders of the day I will hear the hon. member's point of order immediately thereafter.

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the report of the Canada–Europe Parliamentary Association on the fourth annual meeting of the parliamentary assembly of the Organization for Security and Co–operation in Europe, OSCE, held in Ottawa from July 4 to July 8, 1995.

COMMITTEES OF THE HOUSE

CANADIAN HERITAGE

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Canadian Heritage in relation to its consideration of Bill C–93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act.

• (1535)

[*Translation*]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 91st report of the Standing Committee on Procedure and House Affairs regarding the list of members of the Joint Standing Committee of the Library of Parliament and associate members of standing committees. If the House gives its consent, I intend to move that the report be concurred in later today.

[*English*]

I also have the honour to present the 91st report of the Standing Committee on Procedure and House Affairs regarding the selection of votable items, in accordance with Standing Order 92.

This report is deemed adopted on presentation.

* * *

BRITISH COLUMBIA TREATY COMMISSION ACT

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.) moved for leave to introduce Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission.

(Motions deemed adopted, bill read the first time and printed.)

* * *

WITNESS PROTECTION ACT

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I seek the unanimous consent of the House to withdraw my private member's Bill C–206, an act to provide for the protection and relocation of witnesses.

The Speaker: Is it agreed?

Mr. Wappel: Mr. Speaker, I do so for the following brief reasons.

Members will recall that my private member's bill was debated and passed unanimously at second reading in the House of Commons and referred to the justice committee. Since that time my government has brought forward Bill C–78 on exactly the same subject.

In my judgment the bill contains virtually the same items that are in my private member's bill. It is designed to protect and relocate witnesses to crimes in Canada. As such, it seems a waste of time to proceed with two bills with identical material. Accordingly I am quite prepared, with the consent of the House, to have my private member's bill withdrawn.

I ask for unanimous consent of the House that the order of reference to the Standing Committee on Justice and Legal Affairs for the consideration of Bill C–206, an act to provide for the relocation and protection of witnesses, be discharged and the bill withdrawn.

(Order discharged and bill withdrawn.)

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion.

I move that the 91st report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

Mrs. Ablonczy: Mr. Speaker, I rise on a point of information. I wonder if the parliamentary secretary could tell the House what the contents of the report are.

Mr. Milliken: Mr. Speaker, there are name changes for various committees, as I announced when I presented the report. There were changes naming associate members to certain committees and a change in the membership of the Library of Parliament committee. All was approved by the whips of the three parties in the House in accordance with normal practice.

• (1540)

(Motion agreed to.)

* * *

PETITIONS

MINING

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Mr. Speaker, I rise today, pursuant to Standing Order 36, to present a petition signed by 175 people asking Parliament to support the people of 150 communities dependent on mining for their livelihood.

The Government of Canada has a responsibility to encourage investment in mineral exploration and the petitioners are asking that Parliament take action to keep mining in Canada.

YOUNG OFFENDERS ACT

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I have a petition signed by about 50 of my constituents who are in the teaching profession. It has been duly certified pursuant to Standing Order 36 to be in order.

My constituents in the province of Saskatchewan object strongly to the present status of Canada's Young Offenders Act. They feel that the Young Offenders Act has failed to address the issue of youth crime and has negative results in our schools, communities, and society in general.

Therefore they petition the House to enact legislation to significantly toughen the Young Offenders Act as quickly as possible, with a view to making young offenders responsible for their actions, making the names of young offenders public and increasing the severity of consequences for repeat offences.

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition that has been circulating all across Canada. This portion of the petition has been signed by a number of Canadians from my riding of Mississauga South.

The petitioners draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession, which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill and the aged.

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the chronically ill, the disabled or the aged.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am pleased to rise and present a petition of 28 names on behalf of Nola Newitt, who, along with residents of Rockyford, Strathmore, and Chilliwack, call upon the government to amend the Income Tax Act to provide a child care expense deduction that is available to all families, regardless of the income level of the parents, the amount of the child care expenses incurred or the form of child care chosen.

ASSISTED SUICIDE

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I have three petitions today. The first petition contains some 450 signatures from across Canada.

It prays that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be

enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, the second petition contains the signatures of approximately 150 people, primarily from the province of Ontario, praying that Parliament act immediately to extend to the unborn child the same protection that is extended to born human beings.

CRTC

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, the third petition is in connection with the CRTC and is signed primarily by people from the province of Ontario. They pray and call upon Parliament to ensure that the CRTC recognizes that Canadians do not need to be shocked to be entertained. Foul language, excessive violence and explicit sex are not necessary to provide quality entertainment.

CANADA POST

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I have three petitions today. Two of the petitions call on Parliament to request the federal minister responsible for Canada Post to consider bringing in legislation requiring all unsolicited mail and flyers to use recyclable materials and post–consumer fibre, and amending the Canada Postal Act so that Canada Post would have to comply with no flyers signs at personal residences, with the exception of material from political parties and charities. The two petitions contain many names.

HUMAN RIGHTS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the third petition calls upon Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation and to adopt all necessary measures to recognize the full equality of same sex relationships in federal law.

• (1545)

WITNESS PROTECTION

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, it is a pleasure today to present three different petitions from my constituency.

The first is signed by 33 of my constituents who pray that Parliament enact Bill C–206 at the earliest opportunity so as to provide a statutory foundation for a national witness relocation and protection program.

HUMAN RIGHTS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the second petition is signed by 40 of my constituents who pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

ASSISTED SUICIDE

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the third petition is signed by 41 constituents who pray that Parliament ensure the current provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

[*Translation*]

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

[*English*]

POINTS OF ORDER

DECORUM IN THE HOUSE

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I rise on a point of order to assist in the maintenance of proper decorum in the House. I refer to a review on September 18 in which the Acting Speaker referring back to a ruling in June said: "We would hope and call upon members of both sides of the House to be mindful of the ruling of the Speaker in June regarding exhibits, lapel pins, et cetera".

Mr. Speaker, I draw this to your attention and ask you to remind members to refrain from wearing pins today. Perhaps we could all agree to do this. The members for Winnipeg South, Kent, Algoma, Verchères, St. John's West, and Kingston and the Islands are wearing exhibits.

The Speaker: I take the hon. member's advice à coeur. I noticed some members today are wearing a flower or a pink pin. I remind members that whatever pins or parliamentary buttons we wear, my general rule is I am guided by the House in virtually everything I do.

As long as it does not cause a disorder and is in keeping with the dignity of the House, I use these as general criteria for what we do. I encourage all hon. members to look at what they are wearing in the House. For the most part much of it is accepted and we take that for granted.

I will keep vigilant and I hope all hon. members will keep that in mind when in the House.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I remind you the Chair has the right to request that certain pins or items not be worn. On the night we voted on MP pensions certain members of the Reform Party were asked to remove them.

The Speaker: I thank my hon. colleague for reminding me of my decision. I always keep those decisions in mind.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I want to come to Your Honour's assistance in this regard. I think your decision in June was quite correct, as I am sure all hon. members do.

• (1550)

Wearing pins and ribbons in the House is a longstanding tradition as far as I can understand, certainly since I have been here. I do not consider that a long time ago by standards of others. With great respect, there is a difference between pins and large buttons with highly visible insignia constituting a demonstration.

Difficulties occur when members hold up papers, documents or things that constitute a demonstration in the House or when they wear substantial buttons, placards or other symbols that carry with them words or letters transmitted by television as a message.

Your Honour's ruling last June indicated that buttons which carry a message and were visible to the public were contrary to the standards of dress in the House. With great respect, I think Your Honour drew a distinction between those items and small buttons or pins that members wear not readily visible on television and which may convey a message but are very small and discreet.

The trick to me in dressing for the Chamber is to dress in a decorous way that may involve wearing small pins, possibly unusual ties from time time. I consider myself guilty sometimes on that score. Those are the things members are allowed to do. As long as it is tasteful I submit it is right. I think that was Your Honour's intention. I know members opposite, in making their points, are really supporting Your Honour's view in that regard.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I appreciate the intervention by the hon. deputy House leader for the government. It seems to me he is really saying buttons are okay but if something embarrasses the government it is okay for the Speaker to jump on it with both feet.

The Speaker: I thank all members for supporting my decision last June and for their comments which I will forever keep at the forefront of my mind when making my decisions.

Pursuant to Standing Order 33(2), because of the ministerial statement, Government Orders will be extended by 10 minutes.

GOVERNMENT ORDERS

[*Translation*]

CANADA–UNITED STATES TAX CONVENTION ACT, 1984

Hon. Marcel Massé (for the Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec) moved that Bill S–9, an act to amend the Canada–United States Tax Convention Act, 1984, be read the third time and passed.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr Speaker, I appreciate the opportunity to begin the third reading debate on Bill S–9.

Hon. members will recall that this legislation ratifies the recently signed revised protocol to the Canada–United States Tax Convention.

Tax conventions are routinely modified, and this is essentially routine legislation. It has emerged from committee without amendments, and with good reason. By improving the operation of the Canadian and U.S. tax systems as they apply in tandem, it will result in fairer taxation and a better environment for cross–border investment and trade.

A number of the amendments provided for in the bill are of a technical or procedural nature, an arbitration mechanism, improved exchange of tax information, and provisions for assistance in collecting the taxes of the other country.

But there are also some substantive changes that will benefit Canadians and enhance the fairness of the two systems for non residents.

• (1555)

[*English*]

Let me begin with a provision that has been the subject of some misunderstanding, the application of U.S. estate taxes to Canadians with property there. Our achievement with respect to estate taxes is twofold. First, we are ensuring Canadians with property in the United States do not get a harsher deal at the hands of the American government than do Americans. Second, we are doing what tax conventions are all about, eliminating double taxation.

With respect to the first point it should be borne in mind that U.S. estate taxes do not kick in for American citizens until the value of their estate exceeds $600,000. Under our law enacted in 1988 the threshold for Canadians with property in the United States is only $60,000. In our opinion that is simply not fair. This protocol changes that, ensuring that Canadians are entitled to the same treatment as our American neighbours.

There is the matter of double taxation. For half a century tax treaties have been combating the unfairness and financial disincentives of double taxation. Typically each jurisdiction provides a credit against its own taxes on revenue from the other jurisdiction that has already been taxed in that jurisdiction. The complicating factor in this case is that while both Canada and the United States impose taxes upon death, these taxes take two different forms. The U.S. applies an estate tax whereas in Canada the levy takes the form of an income tax on any appreciation of a deceased's property over his or her lifetime.

Bill S–9 simply recognizes the situation and addresses the anomaly that would otherwise result. Without the proposed change, combined Canada and U.S. tax on the estate of a Canadian with U.S. property could actually exceed the property value. I do not think anyone in the House would deny that would be patently unfair to the taxpayers.

In other words, any suggestion this provision represents a tax break for the wealthy rests on the confusion about tax treaties in general and this protocol in particular. Wealthy Canadians will continue to pay substantial taxes on property owned at death.

Another important change is the reduction or elimination of the rate of withholding tax that each country will apply to certain types of revenue. The rate on interest payments will be reduced to 10 per cent from 15 per cent. The rate on direct dividends will go down to 5 per cent from 10 per cent and the rate on royalties on computer software and on patent and technological information will be eliminated entirely.

These changes bring the rates under the Canada–U.S. convention into line with those provided in the OECD model tax convention accepted by most of the OECD's 25 countries. More to the point, the reduced rates will facilitate trade and investments between our two countries.

For example, the elimination of the withholding tax on certain types of information technology will make it cheaper for Canadian companies to access technology from the United States and easier for our high tech firms to sell to the United States.

I will mention one further beneficial change provided for in this protocol. It concerns the treatment of social security payments such as old age security and the Canada pension plan. Under the existing convention these payments are not taxable in the source country and only half the benefit is taxable in the other country. Once the protocol is ratified, however, benefits paid from one country will be taxable exclusively in that country.

To sum up, double taxation conventions are a vital part of the legal infrastructure underpinning trade and investment relationships between modern economies. The protocol the bill will ratify will result in fair taxation while enhancing the international environment for trade and investment.

Once again I remind hon. members the bill came out of committee unchanged. I suggest we pass it without further delay.

• (1600)

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, we have seen that the purpose of Bill S–9 is to ratify a protocol to the Canada–United States Tax Convention.

This convention regulates most tax provisions, as the hon. member explained earlier. This means it regulates most tax provisions between Canada and the United States. Canada has similar conventions with many other countries throughout the world. The purpose of these conventions is primarily to avoid double taxation. It would be unfair for a Canadian or a Quebecer who works a few months in the United States to be taxed first in the United States and again in Canada or Quebec when he files his income tax return at the end of the year.

So considering the extent of our trade relations and the proximity of the United States, the Canada–United States Tax Convention should be as harmonized as possible, although it is still detailed and very complex.

The bill before the House today will make it possible for both governments to help each other collect taxes from their taxpayers. It is often said that one good deed deserves another. The United States will help Canada collect taxes owed by Canadian taxpayers abroad and in turn, Canada will help the United States collect taxes from Americans when they are on foreign soil.

Following the free trade agreement with the United States, both countries decided to operate even more closely to simplify fiscal exchanges between the two countries. This enhanced co–operation and harmonization are all part of the trend towards free trade that is now sweeping the international community and is forcing governments to become more efficient in the way they tax companies and citizens of the two countries that are signatories to this convention.

The Bloc Quebecois fully supports the trend towards free trade, as we have done since the negotiations began and as Quebec did as soon as the issue of international free trade was broached, since the Province of Quebec, unlike the federal Liberal government at the time, had come out in favour of free trade. Since we support the free exchange of goods in the greatest possible harmony and on the most equitable terms for Canadians and Americans, we have not changed the position we

took at the time and, today, we want the government to know that we will support this bill.

We know that without the firm support of Quebec and all major players in the province, the free trade agreement with the United States would probably never have materialized.

As I said earlier, Jean Chrétien's Liberals and even the Province of Ontario were strongly opposed to the agreement. Quebec was not only in favour of this agreement between the United States and Canada but also supported expanding the agreement to include Mexico and still supports this grand design for a free trade zone. With President Clinton of the United States, we would like to see this free trade zone extend from Alaska to Tierra del Fuego.

We could draw a parallel between this situation and the situation we see now in the political context involving Canada and Quebec. I must say that our support for the bill before the House today is entirely consistent with the position we would take on agreements with the rest of Canada.

• (1605)

Millions of dollars are at stake in Bill S–9. Millions and even billions of dollars will be at stake tomorrow morning before a partnership between Quebec and Canada.

For instance, some businesspeople told me that they could not decide on the matter because they needed both supporters and opponents of the bill to earn a living.

Both before and after October 30, we will need clients from both sides in order to ensure a climate of harmony, of beneficial exchanges between the two parties. If we have no need for both, as we are doing in this bill, why would businesspeople want to stop dealing with those clients who voted with the other side after October 30?

Businesspeople and companies who need both yes and no clients before October 30 will continue to need them after October 30. That is why we say that they can only hope for a partnership between both countries, just as the Bloc Quebecois is now supporting the partnership advocated by Bill S–9 to harmonize taxes and estate tax rates.

Yet, with this bill, if Canada refused to sign a protocol with the U.S., it would not claim to be weakened, that this would be an obvious way to avoid co–operating with the U.S., or that the U.S. would be the only one at a disadvantage. Canada understands that it is in both parties' interest.

In the same way, when people from the no side tell us that tomorrow morning, we will have Canada and a separated Quebec, I think that what we have here is a new definition of separation. Where I come from, when a couple separates, it is not just one party who is separated; both the woman and the man say they are separated.

After October 30, once Quebec has proclaimed its sovereignty, we will not have a separated Quebec and a complete Canada. We will have a separated Quebec and a separated Canada. Both parties will likely be weakened in their positions if people in Quebec and the rest of Canada refuse to conclude harmonious free trade agreements between them so that their economic and trade positions would be strengthened by new links. There can be accommodations. An economic and trade partnership could therefore be arranged not only for taxation but also for international trade and the free flow of goods and services in general, in the interest of this country's two founding nations.

The bill does not specify how many millions and billions of dollars are at stake in this protocol. We do not know which country—Canada or the U.S.—will benefit the most from this tax liberalization protocol. We do not know, and the bill does not say. Perhaps the party in power has done studies on this? We simply do not know.

But we nonetheless agree because this is a principle of justice that can only benefit Canadians and Quebecers. It would not be normal for a Quebecer working in Florida for three or four months a year, for example, to pay more taxes for these three or four months than he would pay in Quebec if he had worked only in Quebec.

• (1610)

Bill S–9 will ensure that Quebec or Canada, as the case may be, will be able to claim from the U.S. the share of withholding tax on this person's compensation, under conditions that will be similar or identical in both countries. Hence the advisability of supporting this agreement.

Especially if trade and trade opportunities between two countries are involved, considering that $1.3 billion is invested every year in manufacturing in Ontario cars, trucks and automotive parts for sale in Quebec, it would be sheer folly for the Ontario automotive industry to miss out on this market. Is Ontario going to refuse to come to an agreement with Quebec, claiming that it can no longer sell cars and trucks in Quebec because we have decided to achieve autonomy? That would be silly.

Also, Alberta sells us oil and natural gas worth more than $850 million. Would our Albertan suppliers decide overnight to stop selling us oil and natural gas worth $850 million because we have chosen to make our own decisions from now on?

For Bay Street, the heart of Toronto's financial district, Quebec represents a $2.8 billion market for financial and insurance services. How can one believe that these people would not find it in their best interest to maintain harmonious business relations with us?

Integration of businesses in Quebec and Canada as well as the need to integrate businesses in Quebec and Canada with American businesses make it imperative that we maintain harmonious relations among ourselves. In turn, maintaining harmonious relations forces us to maintain the existing economic union, but under new terms, whereby each partner has a say in problem solving.

Where the shoe pinches right now is that one country is divided, with one partner claiming to have all the answers and be in a better position to manage the other one's taxes and imposes its will by force of numbers. That is why we were never able to find a solution: we realize that we are so terribly different.

When I was in college, we had a professor who used to say: "My friends, always remember that, when confronted with a problem, unless you hold the solution or are part of the solution, you are part of the problem".

That is the kind of situation we are in at present in Canada and Quebec. Over the past few decades, we have come to realize that we were facing certain problems. We told Canada: "Here is a possible solution: If you agree to a redistribution of powers between our two peoples, so as to allow greater fairness, greater autonomy and greater respect for our two peoples, we could find a solution for this great united Canada".

Unfortunately, Quebec, particularly over the last 30 years, has constantly clashed with the federal government and the rest of Canada, which want to keep control over the province's tax system, over its decisions and, in fact, over any major decision that a nation has to make regarding its future.

We feel that Canada was more part of the problem than part of the solution. This is why we initiated a referendum process, a democratic process which will allow Quebecers to freely express themselves and tell Canadians: "Ladies and gentlemen, tomorrow morning we wish to offer you a new sharing of responsibilities; we wish to offer you a new partnership whereby we will decide together, on an equal footing, what should be done to ensure the best possible future for us".

• (1615)

Let us not forget that soon, when Quebec becomes sovereign, the rest of Canada will no longer be in as strong a position, relative to other foreign countries. It is wrong and it is misleading to suggest that the rest of Canada will still be a strong country, while Quebec will have become a weak nation. A Canada without Quebec is a weaker Canada and a Quebec without Canada also takes on a different dimension. This is why we will have to find a way to pool our skills and strengths to maintain as best as we can our trade relations with other countries.

Should this not happen, Canada will not immediately go bankrupt, nor will Quebec: our two new countries will have to face international conditions different from those which currently prevail, something which might be harder to do. Clearly, it is easier to enter into a partnership to solve issues, rather than try to find solutions to the same problems separately. This is obvious. But we cannot do it right now. We are told: you are already in a partnership, why do you want to leave? This is an illusion. We want out because we feel that we are not in a true partnership arrangement. We are in a minority position in a country where our province accounts for about 25 per cent of the population, and where half of the taxes paid by Quebecers are controlled by the majority.

We want more than that for Quebecers. We mentioned commercial reasons regarding free trade agreements. We could also provide reasons related to the number of jobs. We are not talking about the loss of one million jobs. We are not even talking about a loss, because we know that our partners of tomorrow will not let 250,000 jobs in Ontario disappear. Indeed, there are 250,000 jobs in that province that are directly related to goods sold in Quebec, particularly in the automotive industry.

In western Canada, 75,000 jobs are directly related to trade between those provinces and Quebec. We buy 50 per cent of the beef produced in the west. Tomorrow, Quebecers will not want to stop eating western beef, nor will western producers want to stop selling us their beef, because 75,000 jobs are at stake. In Atlantic Canada, we are talking about 26,000 jobs. Maritime provinces will not risk losing 26,000 jobs by eliminating economic and trade activity with Quebec.

In Canada, a total of 352,000 jobs depend directly on the trade between the rest of Canada and Quebec. I imagine that on October 31, businessmen will start calling their Premiers and ministers to tell them: "Gentlemen, let us be serious. Let us get down to business. Let us get back to basics and sound business practices. Keep protecting our markets and our jobs. Sit down and talk to each other and stop being so obsessed with your own policies".

I did not make up these examples. They exist today. This is the reality of trade, whether we like it or not.

The same goes for NAFTA. They want to scare us. They say that the next day we could no longer enter into an agreement, be part of NAFTA. However, tomorrow morning, for instance, we can enter into an agreement with the United States on estate taxes.

Americans who own securities, property or factories in Quebec or who come and work here a few months every year, tomorrow morning, these Americans will want to adopt the same bill, either with Quebec or a united Canada. Why is this bill before the House today? Because we realize that some Americans are penalized by differences in legislation, just as some Canadians and Quebecers are penalized by the law as we know it today.

• (1620)

If Canada is prepared to acknowledge that harmonization of the legislation of our two countries is mutually beneficial, why should we be more reasonable with the Americans than with a sovereign Quebec, if it benefits our citizens? Personally, I think that the day after a declaration of sovereignty, the United States and the rest of Canada will sit down at the same table and will want to negotiate.

Quebec's production figures are four times those of Chile, which is expected to be the next country to sign NAFTA. Four times. Quebec's trade with the United States is eight times what it is with Brazil, Argentina and Chile combined. Canada tells us: "We are willing to let Chile become a member tomorrow morning", but they are not prepared to do the same for Quebec. Yet Quebec has eight times the trade exchanges with these three countries combined.

The American president has already stated, as I have already said, that he wanted to create a free trade zone from Alaska to Tierra del Fuego, which I imagine includes Quebec. He did not say "a free trade zone from Alaska to Tierra del Fuego excluding Quebec". That is not what he said. What he did say is that it is to everyone's advantage in this great economic space in which we live to liberalize trade. Some governors of northeastern states have already announced their firm intention to continue trade relations with a sovereign Quebec. Laurent Beaudoin is not the only one who has made a statement.

The government of Canada strongly supports Chile's application, as I have already said, and yet Chile has 148 times less trade with English Canada than Quebec has with English Canada. This is a key point. Another country like Chile would be accepted, yet Quebec, with 148 times more trade links than Chile, would be rejected. That makes absolutely no sense. Nothing but bogey man scare tactics. We will not stand for such a thing.

During a trade visit to South America, the Prime Minister of Canada made a strong and convincing plea in favour of broadening NAFTA to include all of the Americas. There is, however, a lack of logic in the no side which they are not prepared to acknowledge. Again this week, Mr. Martin has made himself the spokesman for the no side with respect to NAFTA. Yesterday in a speech to the Association professionnelle en développement économique du Québec, he raised three key points preventing Quebec from joining NAFTA quickly.

First, membership in the World Trade Association. With respect to this point, I must tell Mr. Martin that he is wrong, although I cannot tell whether or not his error is deliberate. I do not believe so, I think he might be acting in good faith, but it is obvious that he is in error. True, it could take several years for a country to conform to the World Trade Organization's rules before being accepted for membership. But he must acknowledge at the same time that Quebec already meets all of the World Trade Organization's membership requirements. WTO rules contain provisions for accelerating the process for countries that are already in compliance with the rules.

Quebec would certainly have access to this fast track, which takes about two to three months. In the past five years, the latest countries to declare sovereignty or independence were all recognized immediately by the WTO. Perhaps one or two countries have still not yet been accepted, because they do not meet the basic requirements, because they were not part of a free market economy. That is why the delay. However, a sovereign Quebec, which already satisfies all the conditions, could join the organization quickly—within two or three months, and not two or three years, as Mr. Martin suggests. Even the Czechs and the Slovaks have had the advantage—

• (1625)

The Deputy Speaker: I would ask the member to use the minister's title and not his surname.

Mr. Laurin: You are right, Mr. Speaker. I should have said "the Minister of Finance".

Even the Czech and the Slovak republics, which have just achieved sovereignty, have had the advantage of this accelerated process, the process of joining the World Trade Organization, despite the fact that their economies were far less developed that Quebec's.

The Minister of Finance also contended that Quebec will not be able to sign NAFTA before achieving sovereignty, which, according to him, would take time. However, Quebec retains its legal status, so long as it remains a province of Canada, in my opinion and according to all the experts. As a province and so long as it has not declared its sovereignty, Quebec remains a party to NAFTA.

When we come to declare our sovereignty, we will have had time to talk with people. We will continue to be a party to NAFTA as a Canadian province, and the day after sovereignty, negotiations will be complete, and we will become another member of NAFTA, this time, not as a province, but as a sovereign country. His reasoning falls short here again.

The Minister of Finance raised a third point. He ignored an aspect of the international reality and existing practice, in stating that the American Congress was not keen at the prospect of new negotiations. The Americans have never behaved this way, because state successions promote the continuity and stability of international treaties.

If the United States ever did ignore this rule, it would be to Canada's full advantage to sign a partnership with Quebec, without altering the economic reality of Canada and Quebec, but permitting continued membership by Canada and Quebec in NAFTA, as provided in article 22.04 of the treaty.

It would be advantageous to both Canada and Quebec, because we must not forget that, if the United States wants to renegotiate with Quebec, it will surely want to renegotiate with Canada, which will have seven million consumers fewer than when it signed the treaty.

A Canada with seven million fewer inhabitants is not the same Canada. It is not the same NAFTA partner. And if Canada wants to maintain its economic weight in NAFTA, it should sign a partnership agreement with Quebec, because it would be to its advantage and to Quebec's to do so.

According to another of Mr. Martin's arguments, the United States will no longer want to allow new members to have a dispute settlement board. This is a half baked argument and should be quickly rejected because it is based solely on a letter written by a candidate for the Republican Party nomination. Just a letter from a candidate making this claim.

Furthermore, Mr. Martin has conceded that the negotiations with Chile include the dispute settlement board. They are currently negotiating, they have recognized the existence, the possibility of extending the jurisdiction of a dispute settlement board, yet they are telling us that the Americans are no longer interested. How can the Americans want this mechanism for Chile but not for Canada? They are consistent.

This makes it difficult to take seriously the finance minister's statement that Quebec will lose a million jobs and endanger 90 per cent of its exports. Just imagine. This is no laughing matter.

• (1630)

This just goes to show once again that ridicule never killed anyone, because the Minister of Finance would have died a long time ago. We can see how exaggeration often leads to absurdities.

We are proud and happy to participate in Canada's development by supporting Bill S–9, because it goes in the direction that we have always advocated. We do not want to destroy Canada, we want to build a country in Quebec, and we want Canada to remain prosperous as well. We want to live in renewed harmony, no longer from coast to coast but side by side. And the only way to live side by side is to support legislation that will make for more harmonious relations between the two countries.

Witch hunts must be stopped. They must stop telling Quebecers that Quebec is too small, that they cannot administer themselves without help, that they will not succeed in their endeavour. Quite the contrary.

Quebec's history has shown that every time Quebecers have really taken their destiny into their own hands, their endeavours were successful. They succeeded. And when Quebecers will decide, as they will on October 30, to become autonomous and to make their own decisions, they will be able to collect their own taxes and to sign their own treaties. It will enable them to make decisions on their own and to invest, in projects that better serve the interests of Quebecers, the $30 billion in tax money they will no longer have to pay the federal government.

The Laurent Beaudoins who come and tell us that Quebec would be too small to meet the needs of large businesses like their should be reminded that countries smaller than Quebec have about 20 and sometimes as many as 30 companies that are twice, three times and even four times as large as Bombardier. Businesses larger than the one run by Mr. Beaudoin manage to prosper in countries like Switzerland, Norway and Denmark. The strength and vitality of a nation is not dependent on its size, but rather on the resourcefulness of its people, their commitment and their self–respect.

Naturally, Quebecers will want to invest mainly in research and development because this creates jobs. The Chinese have known this for a long time. An old Chinese proverb says: "Instead of handing out fish that will feed the hungry only for one day, teach them to fish". Teach people to fish and they will be able to feed themselves for the rest of their lives.

That is what Canada did with Quebec. Only with respect to unemployment insurance were we favoured. Quebecers did get more in UI benefits than they paid into the plan. That is the fish we were fed. Meanwhile, Ontarians were taught to fish, and teaching fishing requires research and development grants, which we did not get. And they thought we would go for that.

[*English*]

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I rise on a point of order.

I have been listening patiently to the member for the last 33 minutes. We are all very sensitive when the separatists speak in the House these days. We do not want to upset them in any way, shape or form. However, Mr. Speaker, at what point in time do you think the member will speak about the bill that is on the floor of the House?

[*Translation*]

The Deputy Speaker: I am sure that the hon. member will not be long in coming to the point of his speech.

Mr.Laurin: Mr. Speaker, I thought that what I was saying was very relevant to Bill S–9, since it addresses partnership with another country, the United States. I was therefore attempting to demonstrate that the proposals made concerning other bills before the House deal with exactly the same problem. There was a problem between the United States and Canada. Tax collection was not harmonized, estate taxes were not harmonized.

• (1635)

A way has been found by two sovereign countries to discuss and to reach agreement on changing our laws in order to harmonize them and ensure that Bill C–9 benefits the citizens of both countries equally.

What I have attempted to demonstrate to this hon. house, with examples, is that this would be equally possible in other areas. I am well aware that my colleagues opposite do not like to hear anyone telling them that it is possible for the partnership to be a success. They cannot be hearing that word much these days. They only wish to hear it used in connection with other countries, but when Quebec becomes a country they will hear it more often. We think that at that point they will be prepared to come to the table.

At any rate, whether they like to hear us talk about it or not, this is a decision for Quebecers alone. And just as Quebecers, via their elected representatives here in the House today, agree to support Bill S–9, tomorrow morning Quebecers will also agree to support their representatives in the Quebec government and ask them to offer a partnership that is respectful of our neighbours in the rest of Canada, a partnership that will be advantageous to both parties, a partnership that will become the sole solution to our common problems.

[*English*]

The Deputy Speaker: It is my duty to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Davenport—Climate change.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, in two years in the House I have never seen a bill that all three parties support take so long to get through. Here we are debating the bill when all parties agree to it.

There are a couple of things I would like to say at third reading which I believe are worth clearing up. As everyone in the House has been informed, and for those taxpayers who have been watching the debate and seeing how a Senate bill gets through the House of Commons, there are some items in here that have caused some confusion.

The NDP member for Kamloops and the Liberal member for Gander—Grand Falls have raised some issues on specific items in the bill that have now confused the Canadian public. Now we have to participate in explaining why we support the bill or why some members are against it. There are only one or two people who are against it and it seems a shame that we have to talk about it.

The bill was done through negotiators on behalf of both countries. It was signed on August 31, 1994, so it is already a done deal. What we are doing is giving birth to it, endorsing it or whatever through the House of Commons.

As the Parliamentary Secretary to the Minister of Finance indicated, it eliminates double taxation, creates a level playing field, reduces the withholding taxes on interest and dividends, royalties and technologies, et cetera. It keeps up with the global need to remain and to become competitive. It is for those sound fiscal and economic reasons that the Reform Party supports the bill.

The bill has a lot of upside to it and will generate a lot of investment opportunities for Canadians in the United States and vice versa with the amount of investment Americans make in Canada. It is a reciprocity agreement. Whatever we have negotiated is a two–way street; what happens in the United States can also happen up here. I remind everyone that in a reciprocity agreement sometimes we have to give to get and sometimes we get to give. It works both ways.

I would like to try to clear up some of the confusion on behalf of the member for Kamloops. My office received a lot of phone calls about the bill based on the tirade over the treatment of universities in the United States and Canadians being allowed to make charitable donations to American universities. If they send their children to those schools, it is an allowable deduction. In typical NDP fashion it is a tax for the so–called rich and the rich should not be able to do anything except look after those people who the NDP deem need to be looked after, rather than having a system that is fair for all at both ends of the scale.

• (1640)

Based on the fact that the member for Kamloops has raised the issue and is getting a bit of play out of it in B.C., I would like to answer some of the questions people have been calling our offices about. I will also address the specifics of the bill. Maybe some of the confusion can be cleared up.

I must admit I am a bit frustrated personally that we in the House of Commons have to enter into a debate over something we were not a part of. It was in the Senate where all the specifics, details and all the justifications—

Mr. Mills (Broadview—Greenwood): Do you like taking your direction from the Senate?

Mr. Silye: No, it is just that the details were brought out in the Senate. The negotiations were done by representatives of both countries. They were not done by senators from both countries, but that is where it was approved.

My point is that it is frustrating that we now have to dig in and get all the details of a done deal. Nevertheless, I will make my

best stab at it and if there are some areas where I am a bit off the mark hopefully I will not be too far off. I will say so if I am not clear.

One question we are getting from B.C. constituents is: Why do we favour reductions in the rate of withholding tax on interest and dividends? I covered that in my opening remarks. This works both ways and will attract investment in Canada as well as investment in the United States. It is seen as another step in the reduction of barriers as we shift to a global marketplace. All OECD member countries, including Canada, the 25 member states have agreed to try to get their tax rates in line with one another to facilitate this.

It may so happen at this time because of the immediate nature of the deal being put into effect that the flow of capital into Canada may be reduced. That could be a temporary measure. In the years to come we could get it back on bigger and better deals we make with the United States.

The second question was: How can we endorse a bill that gives individuals with children in U.S. schools the ability to write off a portion of their expenses? While there are those who argue that we should not be subsidizing those who are well enough off to go to schools in the U.S., this benefit works both ways. Americans are allowed to make donations to Canadian universities as well. It is not only the privileged Americans or Canadians who are crossing the borders in pursuit of an education.

As members know, with legislation like this the good must be weighed with the bad. The potential benefits from freer flowing commerce between Canada and the U.S. far exceed the potential cost of a few individuals who send their children to American schools.

This is a reciprocity treaty and you win some and you lose some. If the principle of encouraging donations both ways was brought up in the House today as a separate measure from the principle of making a deal with the United States and encouraging a two-way deal, I would suggest that the principle of encouraging donations both ways would probably be supported in the House by the majority of members.

The third question which arose thanks to the member for Kamloops was: Are American contributions to Canadian charities given the same treatment? Yes, this is a treaty that ensures that Canadians and Americans are treated the same. It is a reciprocity treaty.

The fourth question was: What about the estate tax provision? Is that not just a tax break for the rich? No, it is not a tax break just for the rich. It tries to rectify an inequity in the current system.

In Canada we do not have an estate tax. The United States did and Americans did not have to pay any estate taxes unless there was an amount over $600,000. Canadians had to pay on amounts over $60,000. This reintroduces some equity into the system and now if a Canadian with property in the United States died and left an estate, it would only be taxed if the value is in excess of $600,000. The bill levels the playing field on this issue. It signifies the intent of the bill as trying to make sure Canadians are treated the same in Canada as they are in the United States.

• (1645)

If owning property in the United States is only the purview of the rich, then so be it. However, I do not believe that everyone who owns property in the States all along the eastern seaboard happens to be rich. I happen to know the NDP made a lot of mileage on taxing the rich until suddenly everybody in Canada realized that rich meant anybody making over $40,000 and they were hit as well. That took care of the NDP philosophy of taxing the rich, because they are not rich.

Regarding this attack on the rich by the NDP, even Abraham Lincoln addressed that in his day. He said that we cannot make the poor wealthy by making the wealthy poor. If we want to protect the disadvantaged—we need to protect the disadvantaged—if we care about those people who truly need the help then we make our laws and our polices and go about doing that. At the same time there are people throughout the economic scale who make $50,000 or more who also deserve to have any inequities in the system addressed. They deserve to be looked after as well.

For instance, 62 per cent of those who made up to $25,000 generated 27 per cent of total income, while their share of the total tax paid in 1991 was 11 per cent. My source for this is the Department of Finance. There were 19 million tax filers in 1991 and 13.7 million paid income tax and 5.3 million were not taxable.

I want to discuss the breakdown of how much tax was paid by the various groups. People who earned $25,000 to $50,000 represented 28 per cent of the tax filers and their share of both total income and total tax was 40 per cent. Ninety per cent of the tax filers in 1991 made $50,000 or less and they paid 51 per cent of the income taxes that year. People in the $50,000 to $100,000 category represented 9 per cent of the tax filers, with a share of 23 per cent of the income. They paid 31 per cent of the total tax. People who made over $100,000 were 1 per cent of tax filers, with 10 per cent of income and paying 18 per cent of the total tax. This means that 10 per cent of the tax filers in 1991 paid a total of 49 per cent of the taxes.

I point this out to the member for Kamloops so he can realize that the wealthy people in this country, the top 10 per cent, pay their darn share of the taxes. They pay darn well, they pay high, and they pay a lot, like 49 per cent of the total tax take. This business about going after the rich all the time is not going to work and it does not hold water with me, because they contribute a lot to the economy and keep the economy going. Every now and then someone should speak out on their behalf as well. They are suddenly becoming a small and select group as well in this country.

This brings me to another issue I would like to talk about from this Bill S–9, which is directly related to the concerns of the Liberal member for Gander—Grand Falls, who very eloquently raised his objections to this bill at the Standing Committee on Finance. As I understand, having done a little more homework, this member has been watching this issue and this bill for a very long time. I found out that when in opposition he basically criticized the Conservative government for moving in this direction and moving toward this kind of a deal. In fact he questioned the government of the day on this quite a bit.

The history of Bill S–9 goes back prior to our getting it on our desks and saying we should pass the bill. The bill goes back to the Mulroney government. The member for Gander—Grand Falls had the job and unique duty to critique this item, as he did. Based on that and based on being in opposition to it at that time, he feels obligated to continue that opposition to it at this time.

I bring this point out to show there is at least one Liberal who sticks to his Liberal convictions. There is one Liberal who keeps his promise. There is one Liberal who does not break the promises in the red book.

• (1650)

Mr. Benoit: He did not vote against this though.

Mr. Silye: I believe when it comes to the vote he will have to be very careful how he handles himself. Perhaps he might have a cold or something. We certainly would not want the member to be in trouble with his party, since that whip is cracking pretty hard over there, as evidenced by the last sitting.

Some of the issues the member for Gander—Grand Falls pointed out are based on his personal crusade against the bill. He has taken a lot of effort and looked into it. He does believe that because it means less revenue for Canada it is wrong. He does believe it is a tax system for the rich. He does point out that the Reform Party and the Bloc Quebecois support it, as we do. Yet he never says openly, aggressively, that the Liberal government now supports it as well.

Perhaps when he has his intervention on the bill, because I am sure he wants to speak to it and address it as well, he would maybe tell us on this side of the House why it is that when they were in opposition and the Prime Minister and his group were over here this member was attacking the bill at the time, with their blessing obviously, with the finance minister's encouragement, with the leader of the party's encouragement. Why when they are on the other side of the House all of a sudden did they flip? Do they become puppets of the bureaucracy? Do they become puppets of the bureaucrats? Do they have to say yes to what those people tell them to do? When they were over here they criticized it. They are over there and now they are endorsing it.

It now takes one lone voice, one lonely voice in that huge pack of 177 members over there to remind them that when they were over here they were not for this thing, they were not for the bill. They did not want to do reciprocity with the States like this. They were against stuff like that. They were against NAFTA. They were against all these things. Now they are for all this.

I do not understand. I do not mean to be taking the member for Gander—Grand Falls to task. In a way I am giving him a compliment, but in another way—

Mr. Mills (Broadview—Greenwood) You are dangerous. You are not fooling anybody.

Mr. Silye I also point out that there are inconsistencies here. I will compliment the member for being consistent. However I will criticize his party for being inconsistent.

The rest of the items on the bill I have covered. We do support it. I did have some time to talk about it, and I did feel it was important that as the representative for our party on the bill and as a supporter of the bill for our party I should set some of the record straight. I have to sort of pre–empt the member for Gander—Grand Falls, because I am sure he is going to say a few other words.

The intent of the bill and what it does accomplish is what the future of the country holds. We have to negotiate with other countries. We have to be creating a level playing field. We have to have taxation levels that are similar. We have to have reciprocity agreements that make the deals both ways. As the flow of capital and human resources goes back and forth, all around the world, as we push buttons on a computer and transfer large sums of money, just as an entry item on a ledger sheet, we have to be able to be competitive. First and foremost, that is what Bill S–9 does, it keeps us competitive. It is only the small minded, the narrow minded people in the House who want to protect themselves who would argue that this is not a fair and good reciprocity agreement.

There is nothing for me to add to this. I know there was a lot of confusion. I hope I have cleared up some of that confusion, why our party supports it. I hope I have addressed those constituents of the member for Kamloops. Also I hope I have put to rest this business about picking on the rich all the time, because the rich do pay their fair share. I do not believe this is a bill that satisfies the rich, because I believe people who make between $50,000 and $100,000 and own property down in the States are not really wealthy in this day and age, to make $60,000 or $70,000. In that case, with $64,000, plus the perks we get, everybody in this place would be rich. I would say that a lot of people in the House would not say they are rich.

• (1655)

That is another debate. That is another issue. I bring it up only because of the confusion introduced into the bill by the member for Kamloops and by the member for Gander—Grand Falls. It is worthy of support. The sooner we get it over with, the sooner we can get back to real issues and real bills and get on with our economic lives.

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, it is an unusual day in the House when all parties support a bill. The member for Calgary Centre pointed that out at the beginning and then spoke for almost 16 minutes even though he felt it was a waste of time to talk about the bill, since we all agreed. What is more interesting is that he spent most of that time complimenting a member for the governing party, the member for Gander—Grand Falls. It is indeed an unusual day in the House.

I also want to speak to Bill S–9 and some of the concerns raised with respect to the bill, an act to amend the Canada–U.S. Tax Convention Act.

First I want to say to my colleagues that there is nothing sinister in the bill and no surprises for those who follow these issues. This was pointed out earlier. This matter was the subject of publicity earlier. There was a press release in April 1994 that announced that the protocol had been signed. A copy of the protocol was available. The fact that negotiations were taking place has been known for several years. It has certainly been known among people who practise taxation law and those who are concerned about cross–border investment. There are no surprises and nothing particularly sinister. The bill follows the OECD model tax convention treaty. Provisions of that tax convention model have been followed by as many as 25 countries.

There has been some suggestion that the bill amounts to a huge tax cut for corporations. I want to speak to that misconception. What the bill really does is facilitate cross–border investment. As has been said by others, tax conventions are all about reciprocity. What we are gaining through this tax convention and other tax conventions is enhanced investment in our country. We have to reciprocate for countries that are interested in that kind of relationship with us.

What we have here in the changes in withholding tax is a great incentive for Canadians to invest in the United States and likewise for Americans to invest in this country. Certainly at a time when we are concerned about jobs and growth, that is a very good outcome and a worthwhile goal.

There has been talk, again another confusion, about impact on the treasury, cost to Canadians. We should also focus on offsetting investment in tax revenues that come to Canada from that investment. That is what this treaty will accomplish.

There has also been comment about estate taxes and some sort of opportunity that is being provided to the rich of this country. What is being addressed in the estate tax provisions of the convention is the matter of fair treatment. Canadians will be out from under the burden of double taxation and unfair treatment that has existed to date in the United States for those who have owned property there. That will be cleared up.

There has also been much discussion about the provisions of the convention dealing with the tax treatment of contributions to universities outside Canada. Some have been so confused as to think that this is something that has appeared in our law and is a function of this convention suddenly. It has been a matter of legislation in this country since the 1960s and has been in this convention since the 1980s. What is the result? Certainly the result is that Canadians may make contributions to U.S. universities, but I want to come back to the reciprocity issue and make the following point.

Looking into my own former university, McGill, we discover that over the years countless Americans have attended McGill University. Approximately 1,000 are there right now if we add full time and part time students together.

• (1700)

Here is what is most interesting of all. Let us look at the amount of contributions from McGill graduates in the U.S. and Americans to McGill University over the last five years. In 1990, $2,452,000. In 1991, over $3.7 million. In 1992, almost $2 million. These are U.S. figures. In 1993, $3 million Canadian. In 1994, the astronomical amount of $7 million Canadian. In 1995 it is $3,440,000 to date from American contributors to a great Canadian university. Those who question the wisdom of encouraging Canadians to make contributions to U.S. schools should ask themselves what the impact might be on contributions to Canadian schools.

I am pleased to support the bill and pleased that it has the support of all parties of the House. It is a sensible convention. It is updated from time to time, as it has been most recently by these changes. I look forward to having it passed by the House.

[*Translation*]

I would like to add a word on another point. The hon. member for Joliette used the debate on Bill S–9 to discuss the effects of separation. In response, I would like to say something very clearly.

First, if Quebec needs such a convention, it already has one as a province of Canada. Second, it seems to me that the hon. member does not have a strong grasp of international law, but this is always the way with the separatists. When they get up in the morning, they say: "I want something, therefore I shall have it". But the world does not work this way, and he knows it.

International law is well written and very clear: if Quebec separates from Canada, Canada will remain the contracting state, not Quebec.

[*English*]

Mr. George S. Baker (Gander—Grand Falls, Lib.): Mr. Speaker, in response to the questions raised by the Reform Party and by the Bloc yesterday, the accountability of the Government of Canada to the people of Canada is made here in the House of Commons by the official opposition.

There are only two functions which Parliament serves: One is a legislative function and the other is an accountability function. The actions of the executive of government are held accountable to the people through Parliament. If the official opposition party does not do its job, then Parliament is not doing its job.

We have before us today a bill which came in through the back door. It was not the servant's entrance because the back door was the Senate. It came in through the Senate, but it involves an incredibly large expenditure of money in the final analysis. It is a large expenditure not in direct allocation, but in what the auditors general call tax expenditures.

The bill also includes provisions which Bloc members keep repeating as being wonderful. It cuts dividends by 50 per cent to American corporations which have subsidiaries in Canada. It cuts by one–third the taxation on interest on the money that flows back across to the United States. It eliminates every single royalty tax in this country which is held by Americans, except for trademarks. Trademarks are being bifurcated. It is a very difficult accounting procedure, but that is what is happening under the bill. There are those three big tax cuts.

• (1705)

I just cannot understand it. I do not believe there is one constituent of the official opposition—I keep referring to it as the official opposition because it is supposed to be the group that controls question period and debate in this Chamber. That is why we have a group of MPs like myself and others on the government side who are wondering where the accountability and debate is here.

What I am referring to is this philosophy of the official opposition that working Canadians should compensate people who have property worth over $600,000 in the United States of America. With the passage of the bill, the estate tax in the United States only applies to property worth over $600,000.

The Bloc is saying it is going to end double taxation. It is demanding this on behalf of Quebec. How? It says that the Canadian government taxes in a different way. Yes, it does tax differently on property over $600,000 because there is no double taxation below $600,000. The estate tax in the United States will not kick in until there is property over $600,000 in the United States. The Bloc tells us it wants to end double taxation for people who pay a tax on things that are valued at over $600,000 in the United States of America.

The estate tax in the United States of America has been in existence since the turn of the century. It was brought in at the same time it was brought into Canada when income tax came in. Income tax was demanded by the people of western Canada in 1916 when they marched with their signs. They demanded that income tax be brought in. Their cry was the same cry as that of the people in the United States of America when they wanted income tax brought in at the turn of the century, about 1897, because they said the rich were not paying their fair share of taxes.

The governments of the day responded by bringing in taxes on wealth of varying amounts. Estate taxes came in. All of a sudden, here we are in 1995 and we are going to try to end double taxation which has been there since 1904. Worse than that, we are going to try to end double taxation for people who have property in the United States worth over $600,000. I just do not understand the Bloc's position on this as the official opposition in the Canadian Parliament because that is where the objection should come from.

Let me repeat this again. There is no double taxation after the passage of this bill unless one has property of over $600,000 in the United States. The double taxation is not really double taxation because we do not have an estate tax. Our death tax is on income. The estate tax is on property. Everybody in this Chamber knows that.

In the United States they take the value of one's automobile, house and everything else, the paintings on the wall and the dishes, the stocks and bonds, everything. In Canada we exempt the primary residence and the things one uses. Canada does not tax the car in the driveway; we only tax what the estate of the dead person says was actually an increase in value of the property that is not exempt. It is two completely different things, so how can we have reciprocity when we do not have the same thing in effect in both the nations?

• (1710)

When the bill was introduced into the United States Senate the Government of the United States said: "Each country agrees to allow an appropriate credit for the death taxes imposed in the other country". It is convenient for the United States because it takes about three years to settle an estate owned by a Canadian in the United States. A long time. You normally do not want to pay estate taxes in the United States. This will sort of hurry it up, will it not?

If we are now going to give a tax credit, where does that tax credit come from? It comes from the pockets of working Canadians. It comes from the person working on a construction job. It comes from the person who works in a store. It comes from the person making the beds in the hotels. It comes from every working Canadian. Until the official opposition in Parliament understands that the government must be held accountable

on tax expenditures we will never get the finances of this country under control.

Apart from that, the other major thing in this bill is that it reduces by 50 per cent the taxes paid by American multinationals operating in Canada on their profits. Every single member of this House knows that we have a special division in Revenue Canada called the transfer pricing division. Every member in this Chamber knows there are nine or 10 people there and there are another 17 or 18 in the field looking at all these multinationals. Everyone knows that over 70 per cent of them do not pay any tax at all. Transfer pricing is the major problem but there are other problems as well.

You charge $50 for a clothespin when you pass it from your parent company to your subsidiary. The trick is that if you have a company working in Canada at rates which are higher than in the United States, you want to make sure there is no profit showing on the books, so you bring down the profits by transfer pricing.

The only place we know they can pay taxes on their profits and operations in Canada is at the border. What is the Senate doing in this bill? The Senate is reducing that to half. How much money is that? Let me quote the chief of corporate and international tax of the finance department before the Senate standing committee on April 25, 1995. He was asked the question: Why not reduce it to zero? Instead of 10 per cent why not bring it down to zero? His answer is on page 19 of the transcript: "The principal reason is money". Do not forget we are reducing it by half down to five. He said: "I have not looked recently but I believe that our annual withholding tax take is approximately $1.5 billion. Currently it would be difficult to sustain completely walking away from that". I repeat, 1.5 billion bucks.

Do you know, Mr. Speaker, that the agreement we are passing here today not only reduces the withholding tax by 50 per cent but it also commits us in writing that in three years time we will go back to Washington and negotiate it down?

An hon. member: No.

Mr. Baker: Yes, in this agreement, down to zero. That is only one of the tax cuts in this agreement.

Let me get to the whole purpose. What is behind this? What is behind this kind of rush? The *International Business and Finance Daily* is printing news stories. I will read a portion. I can table it for hon. members to see. It is marked: "Washington, September 12, 1995".

• (1715)

They are interested in getting the bill passed before the end of the month. Why? This is why. "The protocol to the tax treaty between the United States and Canada is expected to be ratified by the Canadian Parliament before the end of October". It then goes on to talk about the other protocols that were signed and quoted a Canadian official: "We will try as quickly as we can for the second reading, and the third reading will take place in the Canadian House of Commons". That is nice to know.

He then goes on to say that although the leading party, the Bloc, has the power to hold up the vote, he does not expect that it will. Then he goes on to say that one of the key features of the protocol is this: "The proposed treaty will be effective with respect to amounts paid or credited on or after the first day of the second month after the protocol enters into force". Just imagine. Let me repeat that: "the first day of the second month that the protocol" is finished in this Chamber. This is October. The next sentence is key. "Companies in the United States are looking to apply the rate to their 1995 income tax. However, if the third reading vote is delayed in the House of Commons they may have to pay the higher rate on dividends".

The largest multinationals in the world will be getting an enormous tax decrease. However, if this bill does not pass third reading before the end of October, they will not be able to claim their reduction of 3 per cent because the protocol lowers the existing treaty's 10 per cent tax rate to 7 per cent in 1995, 6 per cent in 1996 and 5 per cent in 1997. Does anyone want to save the Government of Canada a few hundred million dollars? Pass this bill the first week in November.

Those are just a few of the reasons why I am opposed to the bill. The big one is this. Every single business organization in the United States that appeared before the Congress of the United States made one point clear. Of the seven treaties that were being passed in the U.S. Senate, only the Canadian treaty was truly a one–sided affair with the majority of the benefits going to the United States.

Let me quote from probably the biggest business organization, the National Foreign Trade Council, Inc., 1914 representing 500 U.S. multinationals, Mr. Robert H. Green, vice–president, tax policy: "Turning to the treaties before you"—this is the testimony—"the one that clearly is of the greatest interest to the largest number of companies in my membership is the U.S.–Canada protocol. The investment that flows between the two countries is substantial and favours the United States. We have substantially more investment there than they do here. The dividend withholding rates which are phased into 5 per cent over three years are of tremendous benefit to the United States because of the reduced"—this, that and the other thing. He goes on to say: "Here are all the cuts".

This is from the administration of the United States. Mr. Samuels, who appeared before the committee, stated at page 42: "If you look at the treaties that are before the committee, with the exception of Canada, we think that it is probably about a zero, that it is probably a wash as far as benefits are concerned. With respect to Canada, when you look at the relative flows, there is a greater flow of income into the United States from Canada than there is going from the United States to Canada and we will benefit".

Then comes an interesting quote. This is from the assistant secretary for tax policy of the United States. He says that in one of these cuts it is only a one–way street because according to him and the U.S. treasury: "It will have a lesser effect on U.S. outgoing flows of interest to Canada because much of the flow is already exempt from U.S. tax under the portfolio interest provisions of the code".

• (1720)

What do we have here? We have an agreement that was negotiated in 1988 by the Mulroney administration. The Reform Party is absolutely correct. Agreements are signed between governments sometimes and they must be honoured. However, that is no reason to stand up in this Chamber and support them when you are taking money out of the pockets of ordinary Canadians who are being laid off by the government. We are cutting back programs and here we are giving what is in effect a tax break to the very rich in this country.

Much more could be said about this agreement. It is very complex but it all boils down to three enormous tax cuts. It boils down to giving a tax credit to somebody who has property worth over $600,000 in the United States. Those poor people, my heart goes out to them. If you have property in the United States worth more than $600,000 you are subjected to the estate tax. If you are under that you are not subjected to it. These political parties in the opposition, the Bloc that is supposed to be doing its job, are saying: "Atta boy, this is the best thing that ever happened".

We all respect the function of the House of Commons. In order for it to function properly that accountability must be there in the opposition parties. That is why I take such strong exception to the procedure and the content of the legislation.

This is the House of Commons. This is the house of commoners. That is where that phrase comes from. This is not the house of millionaires or the house of multimillionaires. This is the House of Commons. In these difficult times we should not be increasing tax cuts, tax expenditures for wealthy people and big American corporations. If we keep doing this, Canadian corporations will not be able to compete. Where is the cut for the Canadian corporations here? Where is it? It is absent.

An hon. member: It is a reciprocal agreement.

Mr. Baker: He says that it is a reciprocal agreement. Reciprocal? This is a one–way agreement. Did he not listen to what I just read? Does he not know what the estate tax is compared with the capital gains in Canada? You cannot have a reciprocal agreement if it is not equal on both sides. You can have it, but why would you want to do it?

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I want to ask the member opposite to expand on one aspect that is very important and of which Canadians should be much more aware. By and large Canada is a branch plant operation of the United States. The vast majority of the industries in Canada are branch plant operations of the United States. The real profit is derived by American corporations in transfer pricing where the American parent charges the American marketing arm a price and the Canadian marketing arm a substantially higher price. Therefore, there are very few profits relative to the amount of business activity generated in Canada, thus very limited corporate profit taxes paid in Canada.

Given the fact we know this to be the case, why are there just 12 auditors involved in this, as evidenced by his speaking notes? The member opposite thinks we should be doing something. We are stuck with this legislation as it is a treaty that we have already signed. It is going through. Should we not put more emphasis into that part of the audit?

Mr. Baker: Mr. Speaker, I was not actually speaking from notes, I was speaking from my head on those subjects. Let me tell the hon. member this. In the United States of America a term called formulary apportionment is used rather than the arm's length procedures of transfer pricing.

• (1725)

The present system is this. The Canadian government discovered in the auditing branch one case where a company was selling paper clips for $200 to a Canadian subsidiary to bring down the Canadian subsidiary's profits and then from the Canadian subsidiary was buying tires back for 6 cents each that were made in Canada to bring down the Canadian profits.

The Canadian government looked at that and at all the different systems in effect throughout the world. In the United States there is a system called formulary apportionment promoted by the state of California. Most states in the United States have this. They did it with foreign multinationals but they even did it with domestic tax. They made a judgment on the portion of the company's operations in each state.

In other words California said: "We are going to make a judgment here. We are going to decide after looking at the entire operations—the company would have to open its books—how much the operations are paying in each one of the states". That led to double taxation.

The international multinational companies will not go to California because of that. California had to drop it but it is still a principle that is being promoted.

We should have more investigators in Canada. The hon. member and I agree on that. A lot of money is tied up here. There is $10 billion, $20 billion at stake. However, what has been done in Canada, which is probably the best system, is an agreement has been signed.

The investigators go after each one of the multinationals and sign a pre-agreement, an agreement in advance. It is a secret agreement, because one cannot go around telling everybody what one's operations are.

An agreement is made in advance. That has cut down on a lot of the violations in Canada. That is the reason why the office is so small. It is a very effective and well run office.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, since the hon. member for Gander—Grands Falls has decided to turn himself into a member of the opposition, I would be delighted to invite him to cross the floor and join us. We have several other causes to defend against his party. We would be delighted to welcome you, Sir.

[*English*]

Mr. Baker: Mr. Speaker, I will be very brief. No thanks.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I understand that the debating skills of the hon. member for Gander—Grand Falls are legendary in the House. They go back to his days in opposition.

We really had not experienced them until the debate on Bill S-9. Now we see his passion and his fervour. I wonder if the member would assure the House that he will back up this passion and fervour with deeds. Does he intend to vote against the government and against Bill S-9 when it comes forward for a third reading vote?

In other words, will he be in the House and will he vote against Bill S-9?

Mr. Baker: Mr. Speaker, the hon. member puts forward an interesting proposition. I think my friend behind me and to my left answered quite appropriately one day when he said: "If you vote against the government on a finance bill, it is a vote of no confidence in the government".

The assumption is made under our rules, that if one has no confidence in the government then that person must have confidence in one of the opposition parties. Unfortunately with the positions taken by the opposition parties, I have less confidence in them than I have in the present Government of Canada.

• (1730)

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I too wish to congratulate the hon. member for Gander—Grand Falls on the eloquence of his speech. He is truly a fantastic speaker. He is interesting and fun to listen to.

The hon. member has spoken against the bill presented by his party. I congratulate him for that, for coming out and expressing his thoughts on the bill even though they are different from what his party endorses.

Will he be in the House to vote against the bill at third reading? Why did the hon. member not vote against the bill at second reading? The hon. member was here before the vote and chose not to be here during the vote.

How can he tolerate being a member of a party which is so anti-democratic that it will not let its own members vote the wishes of their constituents? The hon. member obviously believes he is representing the wishes of his constituents on this issue.

Mr. Baker: Mr. Speaker, I respect the hon. member's question. It is very interesting.

The hon. member will notice that in the last couple of days I have had a rather bad back. It is difficult sometimes to stand and to be seated. Hopefully my back will improve as the days go on.

However, I can tell the hon. member what I intend to do tomorrow. The only flight I can get to Newfoundland is early tomorrow morning and so I may have to miss the vote.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: No.

The Deputy Speaker: In my opinion the yeas have it.

Some hon. members: On division.

(Motion agreed to, bill read the third time and passed.)

Mr. Boudria: Mr. Speaker, I rise on a point of order. I wonder if the House would consent to calling it 5.40 p.m. so we could proceed to private members' hour.

The Deputy Speaker: Is there unanimous consent to call it 5.40 p.m.?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker: Since, as we decided, it is now 5.40 p.m., the House will now proceed to consideration of Private Members' Business as indicated on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

ENDANGERED AND THREATENED SPECIES ACT

The House resumed from June 20 consideration of the motion that Bill C–275, an act respecting the protection and rehabilitation of endangered and threatened species, be read the second time and referred to a committee.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I am happy to speak on Bill C–275.

The fundamental goal of any endangered species legislation must be to ensure—

Mrs. Ringuette–Maltais: Mr. Speaker, I rise on a point of order. As a member of the government I should have the privilege of speaking first on this motion.

The Deputy Speaker: The hon. member will appreciate that there is no automatic order to the government side's speaking on a private member's bill. I understand that a government member spoke last and therefore it is now the Reform Party's turn.

Mr. Hermanson: Mr. Speaker, as I was saying, the fundamental goal of any endangered species legislation must be to ensure that no further native species go extinct and that already endangered species recover to healthy and self–sustaining levels. To do this we need to use the most effective, efficient and fair methods possible.

The federal government has jurisdiction over the management and preservation of wildlife on federal lands. Likewise, the provincial governments have jurisdiction over the management and preservation on all non–federal lands.

I understand that currently only four provinces have endangered species legislation: Manitoba, Ontario, Quebec and New Brunswick.

Farmers and ranchers in Saskatchewan are concerned this type of legislation will prevent them from doing what they want with their own land. They are afraid governments will annex part of their land if an endangered species makes its habitat on their property. Farmers and ranchers are not against the protection of endangered species and populations. Farm owners, landowners and land leasers are respectful of our duty to protect all species with which we share this planet.

Any legislation must first consider the rights of the private landowner. By considering their rights we will then be able to find a co–operative solution to the preservation of endangered species.

My constituents who are farmers and ranchers certainly do not want to have any legislation thrown at them telling them how they ought to regulate their land. They must not be ignored. Farmers and ranchers are the closest to the land and are familiar with the animals that are endangered species and what needs to be done to ensure their survival. It is the duty of responsible government to sit down with those most affected by such legislation and find a common solution.

Recently United States officials under the U.S. Endangered Species Act shut down a portion of a west coast logging operation in order to save the spotted owl. This was economically disastrous for several communities. We are aware of the extreme measures taken by the U.S. Not only were they irrational but they do not in any way take the private citizen's concerns and rights into account.

The U.S. Endangered Species Act compliance process for single family residential lots states that only a recent issuance of a proclamation by the U.S. Fish and Wildlife Services has changed this regulation. The United States has spent approximately $825 million and has not recovered one species.

Some member from across the floor might say the U.S. measures are draconian and that this government would never follow such a lead. Let me remind Liberal members that the Minister of the Environment is a follower of U.S. practices. The U.S. banned the additive MMT in unleaded gasoline and the Minister of the Environment followed suit. The U.S. is considering a ban on sulphur and so watch for the minister to be trapped and only a step behind on this one as well.

Bill C–275 is not similar to legislation currently practised in the United States. The bill's scope is to protect only species on federal lands. Like most legislation that comes from the government side, it flirts with that slippery slope concept.

We are concerned, as I know landowners in my part of the country are, that the Minister of the Environment may be using this as a test case to bring forward some severe legislation not balanced and not fair to landowners but protecting endangered species, which we all share a concern about.

Clause 9(1)(a) states in part that the minister "may make regulations forbidding or restricting any use of, access to, activity on, or the release of any substance on, federal lands that are public lands". Clause 9(1)(b) states in part "federal lands that are private lands".

If crown land is leased to a private rancher, which I assume occurs in some parts of Canada, does that mean the control of the land is under the jurisdiction of the crown or the lessee? When I mentioned the slippery slope, this is exactly what I was referring to.

Perhaps the sponsor of the bill, the member for Davenport, might provide me with further clarification of this section and I would appreciate it.

Clause 3(2) of the bill states:

> For greater certainty, nothing in this act shall be construed so as to abrogate or derogate from any existing aboriginal or treaty rights of the aboriginal peoples of Canada under section 35 of the Constitution Act, 1982.

Endangered species legislation should apply equally to all Canadian citizens. There can be only one set of laws applied equally to everyone in Canada. If the government is serious about the protection of species it cannot predetermine which federal land will be part of this jurisdiction and which will not; it is either all or nothing.

Furthermore the Minister of the Environment has stated all Canadians share responsibility for ensuring that species are not lost to extinction as a result of human activities. I hope the minister when drafting her legislation will make certain that all Canadians will really mean all Canadians.

On August 17, 1995 the Minister of the Environment introduced a legislative proposal dealing with endangered species. It was called the Canadian Endangered Species Protection Act. Its intent was for consultation purposes with a hope that legislation would be introduced in the late fall. As of now Canada does not have any legislation dealing with endangered species. I was recently told that even the minister did not know that such legislation was absent in Canada.

This causes me and some of my constituents great concern, not the minister's lack of knowledge of her own portfolio but rather that she will now try to bring in legislation as quickly as possible in order to make a mark for herself. A responsible government would not do such a thing and therefore I ask the environment minister to make sure she not only has the environmental activists on her side but the industrial and agricultural communities as well.

It is extremely important to find common ground between all interested parties. Decisions on endangered species legislation should not be made hastily.

The Western Stock Growers Association has outlined five goals that go a long way in protecting endangered species without unnecessary intrusive government legislation. I bring these to the attention of the House.

First, land goals: They should be to maintain productive capacity for producing food and feed through sustainable development; management of habitat for both domestic livestock and wildlife; control access to such lands to limit disturbance to all species; empower the land holder to make appropriate management decisions.

Second, people goals: Allow local stakeholders a voice in the process; maintain the necessities of life and maintain the quality of life, particularly life in rural Canada.

Third, financial goals: Determine all of the direct and indirect costs of protection; determine all of the economic impacts and all benefits; preparation of a comprehensive budget to show how and by whom the action plan will be paid.

Fourth, government goals: Create a regulatory environment that facilitates flexible responses to endangered species management and avoids coercion of land holders; provide integration of funding of the foregoing processes; facilitate management by land holders.

I commend the member for Davenport on his bill. He has been a member in the House for some time and has been a champion for environmental causes. For this he should be applauded.

Should the bill make it to the Standing Committee on the Environment and Sustainable Development I hope the member for Davenport, the chair of the committee, will seek witnesses from all interested parties. I hope he will allow individual ranchers and farmers to appear so that the committee will hear from those who would be directly affected by his legislation.

I could spend a bit of time talking about some of the hoops American landowners have been put through by the endangered species legislation in the United States but I do not have time. I hope the member for Davenport and, more important, the Minister of the Environment become familiar with these issues.

Saskatchewan on two occasions, first under a New Democratic government and second under a Conservative government, attempted to introduce endangered species legislation without properly consulting all the stakeholders involved, particularly the landowners.

Landowners are certainly conservationists. They are environmentalists. They have the best interests of the land they are stewards of and the species that live on that land at heart. Coming from an area on the South Saskatchewan River, the river valley, it has been a joy to watch species flourish and live in harmony with nature and with the people who are the stewards of the land both for cultivation and for grazing of livestock.

There can be a co–operative approach to protecting endangered species and not limiting the rights of landowners and the lessees of crown land.

• (1745)

I implore the government and the Minister of the Environment to pursue that approach. I also encourage the member for Davenport in his legislation, should it go farther than this point in the House, to be willing to look at amendments to his bill that might respect the rights and interests of land owners in this whole situation.

[*Translation*]

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, I welcome the opportunity today to speak to Bill C–275, an act respecting the protection and rehabilitation of endangered and threatened species, standing in the name of the hon. member for Davenport.

[*English*]

The paddlefish, the swift fox and the black–footed ferret have one thing in common: They no longer exist in the wild in Canada.

[*Translation*]

As for the Labrador duck, the sea mink and the blue walleye, all three have ceased to exist.

The Eastern cougar, the Salish sucker, the right whale, the white Prairie gentian and the spotted owl are endangered in Canada.

[*English*]

The white–headed woodpecker, the blue ash, the western Atlantic harbour porpoise and the spiny softshell turtle are threatened. The polar bear, the eastern bluebird, the orange–spotted sunfish, the pug–nose minnow, the prairie rose, the blue whale and the trumpeter swan are vulnerable.

[*Translation*]

Canada now has 244 animal and plant species on the endangered list. These species are affected by the loss of essential habitat, excessive harvesting, introduction of exotic species, climatic change and contamination by toxic products.

[*English*]

The time has clearly come for the federal government to release a legislative proposal for a Canadian endangered species protection act. The government has decided to ask for public comment on this proposal before introducing a bill in Parliament because it wants as much input as possible from as many Canadians as possible.

The document is short and straightforward. We have eliminated as much of the legalese as we could in order to allow Canadians to participate in constructive discussions before the final drafting of the bill.

[*Translation*]

Protection of endangered species is the responsibility of all groups in our society and each and every citizen in this country. We need legislation that will make the Canadian public feel directly involved.

The bill before the House today seeks to regulate the following activities: the killing, wounding, capture, collecting or disturbing of endangered species, including plants, birds, fish, mammals and their embryos. The bill also seeks to establish Canadian controls over the purchase, sale and international trade in endangered species. To me it is quite clear that Canadians want the maximum penalty imposed on anyone who tries to make money by unlawfully importing or exporting endangered species.

[*English*]

The committee on the status of endangered wildlife in Canada, an arm's length scientific body, would assess the species at risk on an annual basis. The Minister of the Environment would be required to establish a list of species at risk in areas of federal jurisdiction.

Response statements outlining a plan of action would be mandatory. Recovery plans, if required, would be prepared within two years for endangered species and within three years for threatened species.

The proposal would also permit emergency measures to be taken to conserve and protect species requiring the equivalent of emergency ward treatment.

[*Translation*]

The proposed legislation would authorize the Minister of the Environment to enter into financing or conservation agreements in partnership with other governments, agencies and property owners for the purpose of preserving endangered species.

The bill would also provide for strict enforcement and severe penalties.

[*English*]

The federal government has a responsibility to set a benchmark for effective endangered species legislation in all of Canada's jurisdictions, but that is not enough. We also have a responsibility to work with the provinces and the territories to ensure a comprehensive national approach to the protection of endangered species in all parts of Canada. The federal government is committed to doing its part in this shared enterprise. Acting alone however, the federal government cannot come close to solving all of the problems.

• (1750)

[*Translation*]

I would like to take this opportunity to congratulate Manitoba, Ontario, Quebec and New Brunswick for previously adopting legislation to protect endangered species. I am convinced

that in the coming months we will be able to sign a document setting forth a formal, national approach. And I am fully supported in this conviction by the fact that Canadians expect us to pool our resources for this common cause.

[*English*]

Over the last year of consultations leading up to this legislative proposal, the Minister of the Environment has especially benefited from the wisdom of the Endangered Species Conservation Task Force, a group with representation from wildlife experts, environmentalists, farmers, fishermen, foresters, and the mining, pulp and paper, and petroleum industries. They are the people on the front lines. They have acted in good faith despite their often divergent interests.

She has asked the task force to reconvene to provide advice on some outstanding issues, including a strategy for education programs and the application of the legislative proposals to crown corporations. She would also like further advice on issues of cost and compensation. She is particularly concerned that farmers and aboriginal peoples, the stewards of the land, are treated fairly by a new law.

The minister asked the task force to give thought to how we can ensure the active participation of the maximum number of Canadians in protecting endangered species. In effect, how do we ensure that there is a national safety net for species at risk?

[*Translation*]

As we prepare for new legislation on the protection of endangered species in Canada, we should feel particularly grateful to the young people in this country. Students across the country have kept up the pressure on the minister. They have circulated petitions and sent thousands of individual letters into which they put a great deal of thought.

The minister means what she says when she wants Canada's young people to continue to help her write this legislation. The bill will be available on Environment Canada's green line on Internet, and the minister urges everyone to send their comments. We want to have the best possible legislation that will support economic growth while protecting genetic diversity and the species and ecosystems that constitute the biological basis of our world. We owe it to endangered species and to future generations of Canadians.

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I am pleased to participate in the debate on Bill C–275, an act respecting the protection and rehabilitation of endangered and threatened species, tabled in the House on September 28, 1994 by the member for Davenport.

This bill provides for the identification, protection and rehabilitation of flora and fauna in Canada threatened or endangered by human activity and for the protection of habitat and the restoration of population. It gives the Minister of the Environment a mandate to develop and implement programs to restore and maintain these species.

I congratulate the member for Davenport for tabling this bill and for his devotion to the cause of ecology. The goal is a very plausible one.

• (1755)

It must be said that, despite international conventions and the very important United Nations conference on development and the environment held in Rio de Janeiro in 1992, I note that, generally, countries and governments do not do enough in this area.

As you know, I come from Chile, which, like other countries in Latin America, has rich flora and fauna. However, there as well, certain species are threatened and endangered. There is the condor, for example, a huge and majestic bird that lives in the Andes, or the llamas or the guanacos. These are species that inhabit the countries of the Andes, Peru, in particular, and Chile. Fortunately, for the first time, the Chilean government has enacted legislation on the environment. Another example is Costa Rica, which has very special and wonderful flora and fauna and is also doing a lot to preserve its natural wealth.

Efforts in species preservation must be concerted. National and international co–operation must be established. Fish, marine mammals and migratory birds must be protected first and foremost. This bill provides for the creation of two organizations: the Committee on the Status of Endangered Wildlife in Canada and the Committee on the Recovery of Nationally Endangered Wildlife.

It also authorizes any citizen to submit an application to the Minister of the Environment to have species added to or removed from the list of threatened or endangered species. The minister will have six months to respond to such applications and will have to table a full report on June 1 each year on the matter.

Canada still has a lot of work to do, despite its fine international reputation in environmental matters. In November 1994, the Minister of the Environment published a working document advocating the strengthening of laws to protect species threatened with extinction in Canada. In addition she announced new federal legislation in this area. At the moment in Canada, 236 species of flora and fauna are endangered, threatened or at risk.

Since the 17th century, Canada has lost at least 14 species of bird, mammal and fish. The situation worsens each year. These species are lost due to human activity. Over hunting is the most serious threat. There are fewer and fewer old forests. Wildlife is

threatened by chemical pollution in the environment. Acid rain, air pollution and global warming add to the pressures on these species.

Canada should apply more firmly the Convention on International Trade in Endangered Species of Wild Flora and Fauna. It must put a stop to the over harvesting of endangered species in the world as a whole. Illegal trade in certain wild animals has almost led to their extinction.

I would like to take a moment to voice my criticism at the decision by the Nova Corporation of Calgary, which was awarded the contract to build a pipeline between Argentina and Chile, and, to save money, will cross right through the city of Pirque and has already started cutting through extremely rare and ancient trees in Chile along the way. The Chilean parliament recently adopted a resolution supporting the demands of the population of Pirque, a city located at the foot of the Andean Cordillera, who wants the gas pipeline to be kept at a distance from their city.

• (1800)

That resolution also calls for a complete study on the environmental impact to be carried out before the pipeline is constructed. In my opinion, Canadian companies in other countries ought to respect the same environmental standards as those in effect in Canada. I have taken the liberty of writing to the Minister of the Environment deploring this situation and asking that she intervene with the management of the Nova Corporation of Calgary to ensure that it will comply in Chile with the standards already in force in Canada. I would ask the same of all Canadian corporations who invest in other countries. There is a moral duty to respect the minimum legislation already in place in Canada.

Although this is typically a provincial responsibility, much to our dismay only four provinces have passed legislation to protect these species, and I am referring to Quebec, Ontario, New Brunswick and Manitoba.

I am delighted to say that for years Quebec has had its own legislation and its own Department of the Environment and Wildlife, one of whose objectives is to protect threatened species.

The federal government has limited jurisdiction in this area. It is responsible for the preservation of fauna and flora on federal lands, for instance, parks managed by Ottawa. It is also responsible for regulating international and interprovincial trade and for preventing illegal trafficking in endangered species. However, it should not encroach on provincial jurisdictions, and especially Quebec's.

This legislation has raised many questions in this regard. The Quebec Minister of the Environment and Wildlife, Jacques Brassard, has already announced his own strategy for the preservation of Quebec's biological diversity. He has asked the federal government to remain within the sectors that are its exclusive responsibility.

My Bloc Quebecois colleagues, the hon. members for Laurentides and Anjou—Rivières–des–Prairies, previously commented in considerable detail on the subject during the debate last June.

Although the bill's objectives are indeed praiseworthy, I cannot support this legislation because it encroaches on provincial jurisdictions, and more particularly that of Quebec.

Once again I would like to congratulate the hon. member for Davenport on his dedication to environmental issues, which I fully support, but I also wish to inform him that the Bloc Quebecois will vote against this bill.

[*English*]

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, it is my pleasure to rise today to speak on this bill. Previous speakers today have enunciated the fact that there has been or still is a patchwork of legislation across the country.

There appears to be some consistency lacking. Concerns about a lack of endangered species legislation in greater Canada has been expressed for well over a decade.

It is my view that all Canadians have a moral responsibility to ensure that future generations enjoy and benefit from the presence of diverse wildlife species. The federal, provincial and territorial governments together must provide the required leadership and legislative tools thereto. That strategy will set the stage for action in a number of areas, including the identification and protection of endangered species.

The biodiversity convention calls for the development or maintenance of necessary legislation to protect wildlife and their habitats at risk.

• (1805)

The responsibility for protecting endangered species is shared among the federal, provincial and territorial governments. Options for federal endangered species legislation have been explored with the preferred course of action being a co–operative national approach. The federal government continues to work co–operatively with the provinces and the territories to develop and ensure this national approach. Because there is currently no federal endangered species legislation in Canada and only a patchwork of provincial legislation, we need a strengthened national effort to ensure endangered species conservation.

In November 1994 the Minister of the Environment was presented with a 75,000 signature petition calling for a law to protect endangered species. This petition, the more than 5,000 subsequent letters and the comments made during public consultations clearly indicate that Canadians, children and adults alike, expect federal leadership on this issue.

An Angus Reid poll conducted in May showed that an overwhelming majority of Canadians, 94 per cent, support the idea of federal legislation to protect species at risk. The support for legislation is firm. Seventy–five per cent of Canadians strongly support such legislation and 20 per cent somewhat support it.

Last November the Minister of the Environment released a discussion paper on endangered species legislation in Canada, another one on a proposed national approach to endangered species conservation in April and a series of public workshops were held in May.

In August 1995, with full cabinet approval, the Minister of the Environment released for public comment a legislative proposal to protect endangered species entitled "The Canadian Endangered Species Protection Act: A Legislative Proposal". The legislative proposal was released to ensure that the federal government is doing its part and working co–operatively with other jurisdictions to protect endangered species throughout the country.

The minister encouraged the public to provide comments on the legislative proposal prior to introducing legislation in the House of Commons in the spring. The comments received will help the federal government finalize its plans for protecting endangered species.

The proposed legislation would help prevent wild Canadian species from becoming extinct as a consequence of human activities and mandate the recovery of species where technically and economically feasible. It would apply to species on federal lands and waters or under federal authority.

The proposal arises from discussions with the provinces and territories on a national approach to Canadian endangered species protection. It also responds to the comments, suggestions and briefings made by Canadians at the public consultation workshops held across the country, as well as to the recommendations of a federal endangered species conservation task force. There were also many useful aspects of Bill C–275, which stands in the name of the hon. member for Davenport and was introduced in September 1994, which were also considered in drafting the proposed legislation.

The proposal under consideration by the Minister of the Environment is consistent with the commitment enunciated in the red book which puts forward a vision of society that "protects the long term health and diversity of all species on the planet". The proposed legislation would also clearly demonstrate this government's commitment to the Convention on Biological Diversity.

The federal endangered species conservation task force, made up of representatives from environmental groups, industry and industry associations, academia and small business was established by the Minister of the Environment to advise her on the contents of the federal endangered species legislation. The task force reconvened early in October to provide additional advice on a number of key issues, including the best way to achieve the desired safety net that will ensure that all endangered species in Canada receive the protection they deserve. The task force is expected to provide its report to the Minister of the Environment by mid–November.

The legislative proposal is intended to form the federal component of a comprehensive national safety net for the country's most vulnerable species.

With the co–operation of federal, provincial and territorial governments, the proposed legislation will succeed in providing a strong national approach for the conservation of endangered species.

• (1810)

The proposed legislation will apply to the full extent of federal authority to federally managed species everywhere and federally managed marine areas. The proposed legislation would establish a national listing process for all species in Canada regardless of where they occur.

Federal government actions will not intrude into provincial and territorial responsibilities. The common but differentiated responsibilities of the federal, provincial and territorial governments with respect to endangered species are recognized. The proposed legislation is intended to complement, not contradict, provincial and territorial actions.

The release of the legislative proposal prior to the tabling of a formal bill demonstrates our commitment to protecting Canada's endangered species and our commitment to open and transparent government. The federal government remains committed to working co–operatively with the provinces and territories to develop an effective national approach to endangered species conservation. By taking action at the federal level and getting our own house in order we are demonstrating our commitment to making the national approach work.

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, I am pleased to rise today in support of Bill C–275, an act respecting the protection and rehabilitation of endangered and threatened species proposed by my hon. colleague, the member for Davenport.

The protection of endangered flora and fauna must be a matter which concerns us all. Extinction is forever. When a species becomes extinct, it is a loss for both the world and for Canada. Anyone who cares about maintaining healthy ecosystems for future generations must by extension care about endangered species.

In Canada, known throughout the world for the richness of our wilderness areas, the preservation of our animals, birds and plant life is akin to the preservation of our national identity. We have a tendency to think that species extinction is someone else's problem. However, the truth is that since the arrival of Europeans, at least eight of our distinct animal species and at least one population of caribou have become extinct.

More than 105 species, subspecies or populations of plants and animals are listed as threatened or endangered and more than 111 are considered vulnerable. It is our problem too. We can count ourselves very fortunate to have not only the hon. member for Davenport working on the problem but also the Minister of the Environment.

In the modern world, species extinction is alarming not because it happens but because of why it happens and the rate at which it happens. In the days of the dinosaurs species disappeared at the rate of roughly one every thousand years. By the Middle Ages extinction rates began to accelerate rapidly because of increasing human intervention in the environment. Between 1600 and 1900, as human beings learned to kill more and more efficiently, species were lost at a rate of one every four years. In the years between 1900 and 1975 the disappearance rate climbed to about one species per year. Today biologists estimate human beings destroy from one to three species per day. Some predict that by the end of the century the rate will have accelerated to one per hour and that up to 15 per cent of all species now on earth will be gone.

Protecting the species that are threatened today entails far more than merely restricting hunting and trapping. In our modern, industrialized world habitat destruction and environmental contamination are the most hazardous perils to our endangered species.

• (1815)

Each of them is far more deadly and more subtle than the gun or trap and far more difficult to control. Canada's wildlife habitats are vanishing very quickly.

Millions of hectares of marshes, swamps and other wetlands which are extremely important for waterfowl and as breeding grounds for fish have already been destroyed.

In the interests of what we thought was progress they have been drained or filled in for highways, airports, housing and industrial complexes. They have been absorbed by expanding farmlands and flooded behind large power dams. Forests have been cleared and grasslands have been fenced off, ploughed under or paved over.

Too many of Canada's wetlands have already been lost. Up to 71 per cent of prairie wetlands have been degraded by agricultural practices. In southern Ontario over 70 per cent of wetlands have been lost. The problem of wetlands is particularly serious. A dramatic decline in the waterfowl population is taking place.

Canada's modern lifestyle with its heavy dependence on industrial, household and agricultural chemicals also poses a serious risk to endangered species. Modern society puts species in jeopardy in many ways. Acid rain can kill pond and other aquatic life and has a negative effect on soils and forest growth. Unless it is stopped it is quite possible acid precipitation will begin to take a toll on endangered species.

Some wildlife biologists already believe that acid rain is at least a partial culprit in the population declines of some species of waterfowl and amphibians.

Although the environment minister has proposed draft legislation in this field, it is important to note Canada does not yet have a national endangered species act. Legislation is in force in only four provinces.

Unfortunately endangered animals, birds and plants do not recognize provincial or even international boundaries. For this reason it is imperative that Canada have a federal presence in this area.

In terms of our international commitments Canada must have clear, strong legislation protecting and rehabilitating our endangered and threatened species.

As my hon. friend said before, Canada's responsibility goes back to the UN Conference on Sustainable Development and the Environment in Rio in 1992. Canada was among if not the first nation to sign the convention on biodiversity when delegates of some 150 nations arrived at a consensus on what needs to be done. We can be proud of this but we can be even more proud once we have adopted strong legislation backing up our commitment.

I thank the hon. member for Davenport for his unflagging devotion to the cause of protecting our vulnerable wildlife. I also commend both the member and the Minister of the Environment for joining forces to ensure that strong law protecting threatened species and their habitats becomes a reality.

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, it is a pleasure to join in the debate on this bill.

Our colleague from Davenport has worked his whole career in the area of environmental sustainability and environmental support. I am pleased to support him in the efforts he brings to the House to help us understand and continue with his striving to support the environment and in this case endangered species in Canada.

• (1820)

One of my favourite things to do in my riding of Brant is to go into the schools, public schools or high schools. Without a doubt in every circumstance the issue of the environment is always raised.

When I think back to my days as a young student it was never a top of the mind subject. We truly have come a long way in terms of appreciating and understanding the importance of our environment and the role it plays in the lives of our young people. I am so glad to see the changing attitudes of Canadians toward our environment, toward the importance of sustainability.

In my riding I have the great fortune to live on a farm. My family has been there for five generations. One of the things we enjoy doing every Sunday if possible is walking through the fields along the railway tracks, through the wooded areas and looking at the wildlife. We see red foxes, racoons, deer. We look at the flora and every spring we wait to see the blooming trilliums and the may–apples. It has become a tradition in our family that we pass along from generation to generation. It is one of my favourite things to do with my two sons on a Sunday afternoon.

At the schools the children always ask me what the government is doing about the environment. I am always very pleased to explain to them that our Deputy Prime Minister also has the responsibility for the environment and that she is taking very assertive and definite approaches to making sure the things that have become very much a part of our country remain in our country.

I was shocked to find out as I was preparing for this discussion that there are 244 endangered species in Canada alone, 244 endangered, threatened or vulnerable species. Knowing that, we can understand why the hon. member for Davenport feels so strongly about the importance of this legislation.

I am not sure this is true but as I look at information I see nine extinct species, things in my lifetime I will never see. A further 11 species used to exist in Canada but are now extinct. The importance of preparing to maintain and protect our fragile environment is something that has to be critical to all of us.

I am very proud of a project undertaken by a number of groups in my riding, the Brant Waterways Foundation, the Grand River Conservation Authority and the Grand River Trails Association. They came together in partnership with the federal government through the environmental partners program to develop the Brantford environmental education project. Along the Grand River, now a heritage river, we have created walkways, bike paths and trails that all can enjoy.

The thing that is so important in this regard is along the shores of the Grand River are Carolinian forests, themselves an endangered and rare set of flora and fauna. We are very lucky in our community to have them as part of our surrounding environment, something we can enjoy with ease. We are also lucky to have organizations in Brant that are conscious of how fragile this great resource is.

Coming together and with the support of the federal government we have protected that in a way that people can enjoy it. It is not for the people of Brant only. I encourage members of the House and Canadians from across the country to come and join with us.

At our local level we have a consciousness, an awareness of the importance of the environment. I am glad that will continue. However, when we look at the rest of the country it is interesting to note that only in Manitoba, Ontario, Quebec and New Brunswick is there legislation to protect our flora and fauna. Again, this is another reason why I would congratulate the member for Davenport for bringing this legislation forward.

• (1825)

The federal government can play a real role in ensuring that our natural heritage remains with us. It will not be a role that is interventionist or that gets in the way of what the provinces want to do. Rather it is one that will co–ordinate activities, that will add to that which we already have, that will make sure the Canadian citizenry understands the importance and has access to our environment.

We know from looking at things that have taken place in the past, and I have to reference the Canada Health Act, that very often it is promises that start with good pieces of legislation. However, it may be very slow to evolve across the country. That is where a strong federal government can play a role.

I make that relationship with this particular piece of legislation and say there is a role for us to play at the federal level to ensure that Canada from coast to coast to coast maintains what has become world renowned in natural beauty, natural strength, natural resources and natural heritage.

I am pleased to be part of the debate. I know people back in my riding who are so sensitive and appreciative of the issues of the environment will also be glad to know that the government is sponsoring this kind of legislation.

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, it is my privilege to speak to Bill C–275.

I congratulate the hon. member for Davenport on this bill and also the Minister of the Environment and her parliamentary secretary for the work they are doing on this very important topic. It is very important to take the initiatives of these people and work with them. We owe our children and our children's children our prompt attention to this very important endangered species Act.

This past year I attended two open houses at the Body Shop, one in Kingston, Ontario and one in Belleville, Ontario. This respectable company had a great display set up with everything from colouring contests to T–shirts and it encourages children to take part. It has done a great job of making people aware of endangered species around the world.

I am sure if we looked at the bottom line of the Body Shop stores across Canada and talked to the individual owners, we would find that their number one customers are the teenagers and the youth of today. Our daughter is one of those customers. I commend our youth. They understand the importance of our environment.

We are very fortunate that our children, including my daughter, Kayla Rebecca, have developed this great love for country, love for the environment and for our wildlife. I realize that we do not have to go to the Body Shop to be reminded of their interest.

My colleague previously mentioned visiting schools. I also want to mention this. I was on a local school board a few years ago when we started up a community school and we now have a day care situated across the road from our home. I visit schools and day cares. Posters are plastered on the walls. It does not matter what topic is displayed, sports or the environment, we see birds and other species depicted on the posters for any topic. Our youth are very aware.

We all agree that the greatest asset of our country is our youth. We are very fortunate. They are very wise in their respect of the planet, our country, our lands and our waterways. Therefore, we owe our children attention to this now.

My riding of Hastings—Frontenac—Lennox and Addington extends from the Thousand Islands, which we are glad to share with my colleague for Kingston and the Islands. Then it circles around and goes to the Bay of Quinte, the walleye capital of the world. That is where we had the live release tournament this year, the largest walleye tournament in North America with 7,000 to 8,000 fisherpeople, but they released all the fish and it made our children very happy.

• (1830)

I drive from my office in Napanee to Bancroft and on up to Algonquin Park. My riding touches quite a bit of Algonquin Park. Quite often I see wildlife. It is a real thrill.

The other day I was in Algonquin Park for the Art in the Park show. My wife and daughter were with me. We were driving along and a tour bus and cars were stopped. People were having the thrill of a lifetime because there was a bear in the bush. The bear was playing up for the public. The bear was standing there scratching on the trees and foraging a bit. It certainly reminds us of what we would lose and what we do lose any time we lose one species.

Someone else mentioned that when I went to school we did not pay all this attention to the environment. No, we did not but perhaps it was being introduced into our subconscious minds. One of the highlights in public school was arbour day, when we went out and planted trees. Over a few years we did plant a few thousand trees and made a small contribution. I am sure I have driven by some of those areas. The trees are tall now because that was a while ago. Trees are very important; they provide a natural habitat for birds.

When I went to school we did not have respect for the wetlands, I admit. Today our children are more curious and more in love with all of these endangered species.

What do we do? Where do we go from here? We have all heard that there is no national law to protect them. Some of the provinces have laws. I am glad to see that the federal government and Environment Canada are going to work with the provinces on this. They are going to work with different stakeholders, groups, provinces, territories, aboriginal groups and wildlife management boards.

We can learn a lot from the aboriginal groups, from the natives in our communities. Someone listening to me is going to say: "Yes, I heard about some natives that went out during the fish spawning season and speared a whole lot of fish". Yes, there are bad apples in every barrel, but I will tell you our native populations live in harmony with this country. There is much we can learn from them. They have always practised conservation.

When you tap any natural resource you leave some for seed. My uncle was a trapper many years ago, a colourful character. He made a lot of money some years trapping beaver. One day I was with him and I used an axe to cut through two and a half feet of ice on the river behind our home. He set the trap and took out a very nice beaver, but he said that was it. I went with him the next day and he said: "We will not set any more traps here. We have to leave some for the future".

I will conclude by saying I really appreciate the opportunity for me and other people to speak on this. I want to acknowledge that our youth will lead the way. They remind us every day and every weekend at home.

[*Translation*]

The Speaker: My colleagues, the hour provided for consideration of Private Members' Business has now expired.

[*English*]

Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

CLIMATE CHANGE

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, on September 21 I asked the Minister of the Environment what measures the government was taking to counter the human causes of climate change. In the meantime, a draft report by the United Nations panel on climate change has been published citing human activity as the contributing factor to climate change. In addition, there has been an Environment Canada

report citing increasing summer temperatures in the last 10 years.

• (1835)

What is the cause of climate change? Briefly, it is caused by an envelope in the atmosphere which is created by the burning of fossil fuels on our part as a society, beginning with the industrial revolution 150 years ago.

What are the effects of this envelope? This envelope does not allow solar rays deflected once they touch the earth's surface to re–enter the atmosphere. Thus, the greenhouse effect is gradually formed. In other words, the effect of solar rays as deflected by the earth's surface is no longer the same as in the past. They are contained by the greenhouse gases envelope.

What is the main problem at the base of this? In essence, it is our dependence on fossil fuels, coal and gasoline, but also the emission of methane gases in our dump sites and the production of other gases that are mostly correlated to human activities or the necessities of agriculture and the like.

Next month the international panel on climate change will meet and likely approve a draft report which will mark a major turning point in the climate change debate.

Until now some members of the scientific community believe that the rising temperatures since the beginning of the industrial revolution could be attributed to at least in good part a variability in climate rather than the result of human activity. With this draft, the scientific panel will likely state and confirm that climate change is taking place as a result of human activity. Hence the adoption of this report by the international panel on climate change would result in an authoritative confirmation that global warming is posing a threat.

Some have suggested that the effects of climate change may actually be advantageous to Canada. These assumptions are now being refuted.

The report I am referring to predicts the changes associated with climate change are likely to have a negative impact not only on human health but on other human activities such as agriculture, forestry and the like.

The consequences are far reaching in economic and social terms. These are again explored in the panel's draft report as discussed last week in Montreal. The first attempt to assess the social and economic impact of climate change is the one that took place in Montreal.

I would appreciate very much a reply by the parliamentary secretary to this issue which, although stretched into the long term, is going to be of significant importance for the human family the globe over.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member for Davenport raised an important issue when he asked this question of the Minister of the Environment a month ago. He of course based it on an editorial in the *Globe and Mail*. I want to refer to that which was on the subject of the need to take action on climate change. It was published shortly before the hon. member asked his question.

The editorial makes some good points about voluntary approaches and the need to adapt to a rapidly changing climate. These clearly are not enough to deal with the problem. After all, the evidence that our climate may be changing at an unprecedented rate is rolling in on a daily basis as the hon. member has indicated.

In Canada, the summer of 1995 was the third warmest in a century. The year 1995 was the second worst year in history for forest fires. Record rains have hit Alberta and five early season tropical storms hit parts of the Atlantic provinces.

This year is shaping up as the earth's warmest year on record. It is also a preview of what we can expect in the future. Scientists are concluding that recent data constitute growing statistical evidence that their previous predictions of climate change are being borne out.

Therefore, in calling for voluntary reductions of emissions of greenhouse gases the *Globe and Mail* is heading in the right direction. After all, the *Globe and Mail* would have us recognize that the costs of climate change are also rapidly rising. Damages from the Alberta floods in June exceeded $50 million. Heat and humidity helped fuel one of Ontario's most destructive storms, causing $20 million in property losses and firefighting costs associated with the loss of nearly seven million hectares of forest across Canada.

By reducing our emissions of greenhouse gases we will reduce the threat and costs of climate change and at the same time create jobs and become more competitive economically. I am quite sure that as Canada's business leaders continue to respond to the economic opportunity associated with reducing energy consumption, thereby reducing emissions of greenhouse gases, the *Globe and Mail* will take another step in the right direction and agree that the goals contained in Canada's national action program on climate change must be met. We must stabilize our emissions of greenhouse gases at 1990 levels by the year 2000 and address further reductions over the longer term. Meeting such a goal will require that we take a mix of approaches, voluntary measures wherever possible and market based or regulatory measures where appropriate.

As my time has run out, I conclude my remarks.

The Speaker: Colleagues, pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.41 p.m.)

HOUSE OF COMMONS

Thursday, October 19, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 24 petitions.

* * *

[*Translation*]

B.C. TREATY COMMISSION

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, two copies of the 1994–95 annual report of the B.C. Treaty Commission.

* * *

[*English*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

Mr. Dan McTeague (Ontario, Lib.) moved for leave to introduce Bill C–352, an act to amend the Members of Parliament Retiring Allowances Act (members who cease to be citizens of Canada).

He said: Mr. Speaker, this bill would disqualify a former member or the former member's estate or family from any allowance or benefit under the act if the member ceases to be a Canadian citizen.

This is in essence a bit of housework on my behalf. It would not apply to the withdrawal allowance payable to a member who ceases to participate in the plan which consists of the return of the member's earlier contributions plus interest.

(Motions deemed adopted, bill read the first time and printed.)

* * *

NATIONAL ORGAN DONOR DAY ACT

Mr. Dan McTeague (Ontario, Lib.) moved for leave to introduce Bill C–353, an act respecting a national organ donor day in Canada.

He said: Mr. Speaker, this bill recognizes the efforts of a constituent of mine, Mrs. Linda Rumble of Whitby, Ontario, and the ultimate gift her nephew, two–year old Stuart Alan Herriott, gave to others whom he had never met.

The bill will assist in providing more public education and awareness on organ donation by making every April 21 known as national organ donor day right across this great nation.

April 21 marks the anniversary of the death of Stuart, affectionately known by his family as Stu Buddy. It is hoped that by establishing a national organ donor day more Canadians will be encouraged to make a pledge to organ donation. In doing so, Stuart's supreme gift will be remembered and his act of kindness can be repeated by other Canadians throughout Canada.

(Motions deemed adopted, bill read the first time and printed.)

* * *

PETITIONS

QUEBEC REFERENDUM

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, it is my great privilege to present a petition from my constituents reaffirming the importance of a united Canada.

This petition is signed and supported by French as well as English speaking Canadians, by aboriginal Canadians and by those Canadians who have come from other countries.

It is an honour for me to represent these cultures as they come together to voice their desire to keep Canada united and to keep Quebec in Canada.

[*Translation*]

Clearly, a vast majority of Canadians want a strong, united Canada, as do a large number of French Canadians and other francophones in Canada.

[*English*]

HUMAN RIGHTS

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, pursuant to Standing Order 36, it is my pleasure to present a petition signed by some 120 constituents of Wetaskiwin.

The petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

• (1010)

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating all across Canada. The petition has been signed by a number of Canadians from Delta and Vancouver, B.C.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill, or the aged.

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill, or the aged.

GOODS AND SERVICES TAX

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, pursuant to Standing Order 36, I am certainly pleased to present a petition signed by well over 100 residents, mostly in the Campobello area of my riding of Carleton—Charlotte.

The petitioners draw the attention of the House to the fact that GST for short term rentals from the United States is applied to the full value of the item being rented instead of on the rental value itself. They request that Parliament assess the GST to be only on the market rental value of the item in question in the future. I am pleased to table this petition.

TAXATION

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition. The petitioners call upon Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, as well as for the disabled, the chronically ill and the aged.

PESTICIDES

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, I have the honour to present a number of petitions.

The first is signed by many hundreds of people in the province of British Columbia. It relates to the Pest Control Products Act and is particularly directed toward the poisons that were introduced for pesticidal use after World War II and which created a serious environmental hazard.

YOUNG OFFENDERS ACT

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the second petition relates to the Young Offenders Act. It calls attention to the increase in sexual predatory acts and asks for tougher legislation.

The third petition relates again to the Young Offenders Act and specifically refers to acts of violence committed by young people. The petitioners ask for changes to the Young Offenders Act.

TAXATION

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the fourth petition is also from residents of British Columbia. It relates to the conscientious objection act, in particular to the payment of taxes for the maintenance of Canadian military forces.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask that the remaining questions be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

LAW COMMISSION OF CANADA

The House resumed from October 17, consideration of the motion that Bill C-106, an act respecting the Law Commission of Canada, be read the second time and referred to a committee.

Mrs. Pierrette Venne (Saint-Hubert, BQ): Mr. Speaker, we are now at the second reading stage of Bill C-106, an act to create, or rather to exhume, the Law Commission of Canada. The Minister of Justice now wants to revive this useless crea-

ture, which cost taxpayers $105 million over its 20 years of existence and which made only a few recommendations that were adopted by Parliament.

The Law Reform Commission created in 1971 was responsible for reviewing Canada's laws on an on–going and systematic basis. The research work done by the former commission was divided into three main areas: substantive criminal law, criminal procedure, and administrative law. In its last year of existence, the commission had a budget of $5 million.

• (1015)

In addition to its members and employees, the commission hired a number of outside consultants.

The commission spent over 82 per cent of its budget on salaries and on special and professional services. This small organization was very costly. Most of its staff consisted of university researchers and lawyers hired as consultants for short periods. The emphasis was on research and not on efficient management. Research programs that were out of touch with reality and astronomical costs were the two main reasons why the government of the day pulled the plug on the old commission.

With Bill C–106, the Minister of Justice is about to make a monumental mistake. The minister is showing the federal government's inability to manage responsibly. Therefore, he is giving us another good reason to vote Yes on October 30.

The Minister of Justice intends to sink millions of dollars into a revived law reform commission. This shameful waste must be vigorously denounced.

I am appalled to see that the Minister of Justice has still not recovered from acute consultitis. Not only has he been consulting left and right since receiving his mandate but he now wants to create an organization dedicated to consulting. As silly as this may sound, the Minister of Justice is nonetheless taking himself seriously.

Let me read you the first paragraph of the bill's preamble. It reads: "whereas, after extensive national consultations, the Government of Canada has determined that it is desirable to establish a commission to provide independent advice on improvements, modernization and reform of the law of Canada, which advice would be based on the knowledge and experience of a wide range of groups and individuals".

The government of Canada has determined that it is desirable to waste $3 million per year on this consulting commission. It has determined that it is desirable to appoint 29 of its federalist friends to this commission.

It seems obvious to me that the Minister of Justice and his government are taking us for fools. Let me tell you that, whatever the consultation minister's views on the matter, Bloc Quebecois members will not let him table something as half baked as this without denouncing it.

Did he expect that we would be too busy during the referendum to notice he was pulling a fast one on us? Perhaps he assumed that the miller could not look after the mill and the oven at the same time.

As I said a moment ago, the minister's condition is going from bad to worse. His bill provides that all those involved are to consult one another. I consult you, you consult me, we consult each other. At a cost of $3 million per year, this makes for a very expensive consultation process.

Clause 5 of Bill C–106 states, and I quote:

> (1) The Commission shall
>
> (*a*) consult with the Minister of Justice with respect to the annual program of studies that it proposes to undertake;
>
> (*b*) prepare such reports as the Minister, after consultation with the Commission and taking into consideration the workload and resources of the Commission, may require;

And that is not all. Clause 18 provides for the establishment of the Law Commission of Canada Advisory Council, and clause 19 states, and I quote:

> The Council shall—advise the Commission on any matter relating to the purpose of the Commission, including the Commission's strategic directions and long–term program of studies and the review of the Commission's performance.

This silliness goes on in clause 20, which reads, and I quote:

> For the purpose of advising and assisting the Commission in any particular project, the Commission may establish a study panel presided over by a Commissioner and consisting of persons having specialized knowledge in, or particularly affected by, the matter to be studied.

Between obtaining advice, consulting and acting on this advice and the results of consultations, I wonder when the commissioners will find the time to do their job, to justify an annual budget of $3 million. This is outrageous.

• (1020)

This bill does not even have the merit of being an original piece of legislation. It is almost a carbon copy of the Law Reform Commission Act, which was repealed three years ago. The two texts are so similar that you might think they are one and the same. For example, the provisions dealing with the goals and objectives of the commissions, both the former one and the one being proposed, are substantially identical. I hope that the minister is not serious when he claims that the future commission will be different from the old one, because their goals and objectives are identical. The only difference is the purported independence of the new commission. I will get back to this.

If you read the two legal texts side by side, you come to the following conclusion. The former commission's mandate was to

study and review Canada's acts and legal rules, while the proposed commission will study and review Canada's law.

The former commission was set up to eliminate anachronisms and flaws in the law, while the proposed commission will provide advice to eliminate the rules of law which have become obsolete, as well as the flaws in the law.

The former commission was to develop new methods and concepts related to the law, while the proposed commission will provide advice to develop new legal perspectives and concepts.

It is six of one and half a dozen of the other. We were told that justice department officials worked on this legislation for two years. It is unthinkable that they would have spent so much time to come up with this result. The only new element proposed by the minister is the commission's advisory body, which will include 24 members. The minister wants to bring back to life an organization which should not be revived.

The reasons the previous government disbanded the former commission are essentially the ones for which the Bloc Quebecois cannot now support such a waste of public money. The previous government had come to the conclusion that the services provided by the former commission could be adequately obtained by transferring to the justice department the responsibility of commissioning research work from non governmental organizations, under specific mandates. The Minister of Justice and his department were to seek the opinion of researchers and professionals on a factual basis. Consequently, the Law Reform Commission was disbanded and the resources to be kept were transferred to the justice department.

Interestingly, that department currently has a division called the Law Reform Division. This division was formed after the old commission disappeared. The financial resources of the former commission were therefore added to the budget of Justice. The division had an budget of $1.5 million the first year and $2 million the next. At the present time it has three full time employees and one part time.

The minister wishes to create a new commission when there are already competent staff in place capable of meeting the government's requirements. The law reform division does a good job of carrying out the task for which it is intended. The minister can very readily mandate this law reform division to carry out all projects focussing on orienting or reforming Canadian law or to seek innovative solutions to endemic problems. Ironically, in May 1994 it was this division which assumed responsibility for distribution of a questionnaire to 884 individuals or organizations concerning the creation of a new law reform commission.

The department got back 126 responses to its mailing of 884 questionnaires. So much for the extensive consultations referred to in the preamble to the bill.

The minister would have us believe that his commission will be independent in nature. This is clearly indicated in clause 3, which states as follows:

> The purpose of the Commission is to study—the concepts—of the common law and civil law systems—with a view to providing independent advice on improvements, modernization and reform—

This is total nonsense. The partisan character of the process to appoint the five commissioners is obvious. These positions are clearly rewards for good and faithful service. The five commissioners will in fact be appointed by the Prime Minister on the recommendation of the Minister of Justice. It goes without saying that these commissioners will be paid royally. Certainly, the annual commission budget is evaluated at $3 million. As well, the commissioners' appointments will be during pleasure, in other words they can be dismissed if they are found unsuitable and do not toe the party line.

• (1025)

After appointment, the commissioners will in turn appoint the members of the advisory council. There will be 24 of them, and they also will hold office during pleasure.

These 29 persons will therefore make up the Law Commission of Canada. With 29 partisan appointments, the Minister of Justice is setting up his own fan club. To be a member, all you have to do is be in the good graces of the Minister of Justice and be willing to go through three million dollars a year. This will be a fan club of intellectuals philosophizing on legal niceties. They will be so disconnected from reality that the Minister of Justice will not take long to realize his error and will put an end to this nonsense.

In looking at the reasons the old commission was dissolved we can understand why there ought not to be another. The old one was strongly criticized by the office of the Auditor General of Canada in the House. In 1985, it carried out an in depth analysis of the operations and administration of the defunct commission. In his report, the auditor general was critical of the commission's project management.

The following is very illuminating: "Since 1972, the commission has not revised its original research program or submitted a supplementary or a second program, despite extensive changes in its work. Also significant delays have occurred in carrying out its research program and significantly more resources have been committed to it than were envisaged in 1972. For example, none of the estimated completion dates was met, and many of the original projects are still in progress 10 years after their originally stated completion dates".

The auditor general went on to say that the program's effectiveness was not measured, there was a lack of guidelines concerning project management and a lack of control and supervision.

Clearly, the Minister of Justice never bothered to read the auditor general's report. He should have. The former commission, however, was rather proud of its record. In 1991, in the commission's twentieth annual report, the president at the time, Gilles Létourneau, eager to justify the commission's existence, wrote that on the occasion of its twentieth anniversary, the commission could be proud of the impressive number of its achievements, especially in the legislative field, that the commission was far more than an agency that made recommendations to Parliament on how to improve Canadian laws, and that, in fact, it had initiated extensive research in various areas of the law, producing 33 reports, 63 working papers, 78 published studies and more than 300 supporting documents.

I would be curious to know where all those documents are gathering dust. It is all very well to say that the commission produced reams of documents, but to what purpose? In 20 years only three proposals for legislation were accepted by Parliament. The explanation is simple. A commission that operates in tandem with governments cannot hope to amend or improve the law if its amendments or reforms are not part of the legislative agenda of the government of the day.

• (1030)

The auditor general's report is very informative about this aspect as well, and I quote: "The commission, however, is not satisfied with its impact on legislative changes and readily acknowledges its modest record in comparison with that of other law reform commissions. Because of its statutory independence, it establishes its own programs and has not been asked by the Minister of Justice to carry out specific research activities. Therefore, the commission's areas of research and study often have not been high priority areas for government legislative agendas".

The dissatisfaction of the commissioners at the time seems to indicate that the former commission was more in need of direction and controls than independence and broad, poorly defined mandates. The Department of Justice never played its role as a supervisory body. The situation was allowed to deteriorate to the point that the government no longer had a choice. It had to get rid of the commission and merge some of its resources with the Department of Justice, leading to the creation of the law reform division.

I must say the approach taken by the Minister of Justice is not very sound. He calls the future commission a new and improved law reform commission of Canada. If he really wanted improvements, he would leave things as they are. He already has a new and improved commission within his own department. I fail to understand the justification provided by the Minister of Justice, because, aside from handing out goodies to friends, the future commission has no reason to exist.

Upon tabling the bill, the minister stated that Canada's legal system faced complex problems that deserved more than a legal solution. Effective and long–term solutions required an approach that considered legal, social, economic and other aspects. The federal government was of the opinion that an independent and multidisciplinary law reform body was essential to this process.

The future commission will never be independent, since it will be a fan club of the Minister of Justice. Even assuming that appointments to the commission would not be partisan, the Minister of Justice is heading straight for disaster. A more or less independent commission would operate exactly like the former commission, in other words, without controls and without supervision.

The Minister of Justice has not learned from the mistakes of the former commission. He preferred to ignore the auditor general's report which was very critical of the commission. He still does not realize that his department already has a division that is concerned specifically with law reform.

Those who ignore the mistakes of the past are doomed to repeat them. And that is exactly what the Minister of Justice is doing today. His ignorance will cost us three millions dollars annually. Another good reason to say yes on October 30.

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I would like to say that in these days, when we find so little to agree on with our friends from the Bloc, I would recommend to Canadians the extremely well researched and cogent arguments put forward in the paper by my hon. colleague who preceded me. Many of the points that were made should be persuasive to this government.

Unfortunately, one gets the impression in this House, and it is more than just an impression, that what we say and do here in debate is simply smoke and mirrors and window dressing and hot air, because the course of the government is set and the government members, who are in the majority, stand up and support it invariably. The excellent, well reasoned considerations that should be taken into account before these pieces of legislation are foisted on Canadians simply go by the by.

However, it is my duty to represent the people of Canada, particularly the people of Calgary North who elected me, by putting forward my concerns and my objections to this piece of legislation.

• (1035)

When our country is in real difficulty with respect to public safety and the workings of our criminal justice system, I find it passing strange that the thing on the top of the justice minister's mind is allowing the politically appointed parole board to investigate itself if it decides to do that. He is setting up a bunch of political appointments to make recommendations to the minister about what he should do about the law. I do not think

there is any question in the minds of Canadians what should be done about the law. However, apparently the justice minister is so unsure that he is going to need some extra advice, for which we have to pay millions of dollars.

Just so the Canadian public who are watching this debate are clear on what we are talking about today, we are debating Bill C–106. This reinstates a body that was formerly called the law reform commission and is now being resurrected and reincarnated under the name of the Law Commission of Canada.

The Law Commission of Canada will have five members, a full time president and four appointed commissioners to assist the president. In addition, unless these five people find themselves bereft of ideas, they are going to be ably assisted by a further government appointed body called the Law Commission of Canada Advisory Council, with 24 additional patronage appointments.

Bill C–106 reinstates a failed body, this law commission of five people and an additional 24 people to advise them. Apparently the idea of this is to provide "independent" advice on needed improvements, "modernization", and reform of Canadian law. Again, we need to make it abundantly clear that the people of Canada are not leaving the government in the dark about the improvements and reforms that are needed in Canadian law. Why they have to work hard to shell out another $3 million a year to have the obvious stated, if in fact it is stated, is beyond the comprehension of any hard working and overtaxed Canadian I can think of.

This additional spending of $3 million a year is touted as a great improvement because the old disbanded law reform commission cost a whole $4.8 million a year, so we are actually saving $1.8 million with this new, streamlined version of the Canadian law commission. I do not think it takes a cynical Canadian to figure out that $3 million in budget almost invariably creeps up. If $3 million is the bottom line, Canadians have to wonder what the top line is going to be.

The old law reform commission grew into a very significant bureaucracy. It is the nature of government to suspect and be concerned that the same thing is going to happen again, because these five commissioners and 24 advisers to the commissioners are going to need some administrative assistance, which is going to be another consideration.

In the justice minister's introduction of this bill he said something that to me was extremely curious. He said "This will be an independent and accountable body working at arm's length from government". That is a direct quote. Canadians should know that these five commissioners are being appointed by the cabinet of this government on the recommendations of the justice minister. Tell me and any other logical Canadian who might happen to be listening to this debate how a body directly appointed by the justice minister has even the feeblest chance of being independent. Give Canadians some credit for intelligence here.

The minister then said, in the same twinning of words, "independent and accountable". I know that logic is not taught much these days, but it begs the question of how a body can be both independent of government and accountable to government at the same time. It is just not possible. In fact the whole way this is set up, independent is about the last thing this body is.

• (1040)

The Minister of Justice has a history of encouraging politicized bodies to endorse his predetermined positions. We saw that in the debate on Bill C–68 and we have seen it in other debates. He will get up and say that a certain group really supports this legislation. Well yes, the group is funded by the government. One wonders what group would not know what side its bread was buttered on. Of course it will not bite the hand that feeds it. It will be a cheering section for the very body that gives it dollars to keep going.

If we are going to talk about independence, let us at least be honest. Let us at least be reasonable. Let us at least be logical. Let us have something that will carry an ordinary judgment. This is not, in any way, shape, or form, an independent body.

In a news release before Bill C–106 was introduced in the House, the headline read: "Minister of Justice Announces Creation of a New Law Commission". Since this thing has already been created, why are we wasting our time debating it? We all know it is a done deal. This debate is just a formality. The thing has been created. It has been announced publicly. The public knows. Canadians have been told. The objections we are going to be bringing forward in the debate will mean nothing. It is nice that the opposition has a chance to fire at this thing, but it is done.

I find that repugnant in a democratic system. I would like to think that the work and the research I do in examining bills and issues counts for something. It is very clear to all Canadians that it does not.

How independent is the commission? Clause 5 of the bill requires that the Law Commission of Canada consult with the minister before setting its agenda. That does not seem to me to be independent. I suppose that good Liberals will say that the commission does not have to listen to him. He is only the guy who appointed them and gave them this wonderful patronage position in the first place. He is only the guy who pays their salaries. He is only the guy who will request reports from them. This consultation in setting the agenda really means that the

commission is told by the justice minister: "This is what we want you to do".

The commission is required by clause 5 to submit to the minister reports that are required by the minister. It is a creature of the minister. There is nothing independent about it. It is in the legislation, to be seen clearly by anybody who looks at it. This is nothing more than an extension of the minister and his department doing work the justice department has already been contracting out. It is an unnecessary, far from independent body.

How independent is it? The complete commission is under the control of the minister. In the legislation it states clearly that these appointments to the commission and to the advisory body to the commission are held at the pleasure of the cabinet. Independent, when the cabinet can fire them out the door at its pleasure? Give me a break.

The commission is appointed by the justice minister. The advisory council, in clause 18, which is made up of 24 members, is appointed by the deputy minister and by the commission itself. The commission is appointed by the justice minister and its advisers are appointed by the commission and by the deputy minister, who is the right hand man to the justice minister. This is hardly independence.

• (1045)

There is already legislation coming forward from the justice department. One wonders how it has managed so far without the commission. The whole point of having a justice ministry is to make sure that we have proper legislation to protect the rights and property of citizens.

Legislation is supposed to be developed within the Department of Justice. It does the research and drafts legislation. Why does the minister have to appoint a select group of advisers to know what the country needs to protect the lives and property of Canadian citizens? Is he not listening to Canadians?

The minister talks a lot about consultation. We have heard him use this term in a glowing endorsement when he was talking about other legislation he brought forward previously in the House. Now the minister has another stick to beat us up with. He can say that the Law Commission of Canada which he appointed, can tell what to do and controls, although this will never be said, says that we should do this.

Canadians who have not listened to the debate, who have not examined the legislation, who do not know that the commission is anything but independent will be fooled by it. Canadians think it is another expert body they can be impressed with, the Law Commission of Canada, not the minister's commission with people who are manipulated and give him the answers and endorsements he wants.

Laws should be developed by elected legislators who are closely reflecting the wishes and the interests of the people they represent, period. They should not be developed by appointed flunkeys of the justice minister. This back door elite group of hand picked Liberal policy makers have no business developing law for Canada.

The people of Canada elect representatives to do that. That is why we get the big money. Why are we also getting millions of dollars to have other people tell us what laws we need? What are we doing here? Elected representatives are well able and should be seeking all the time the views of researchers and knowledgeable citizens throughout Canada. We do not need to appoint these people and pay them to tell us what they think.

Law professors spend almost half their time in research; that is part of their mandate. They are quite happy to pass on to elected representatives the wisdom, the knowledge and the recommendations they have come up with. We do not need to pay for them.

We already have far too many boards and commissions in Canada. The money that pays these people does not grow on trees. People work darn hard for the tax money that the government gobbles up. They do not want to pay a bunch of people to do a job they have already elected people to do. It is ridiculous.

It is an insult to Canadians who are already hard pressed. They are worried about their jobs. They are worried about their futures. They are worried about having to pay their mortgages. Now they have to pay a law reform commission $3 million a year.

The government does not have this money. It gets it from the rest of us who are working. It is a shame that in these hard economic times we would even think of asking Canadians for a few more million dollars so we can have a nice little group of appointees for the justice minister.

The parliamentary role should not be given to outsiders. Private members' bills, for example, have been developed in the House. The justice minister might consider that a very accurate law commission. I sat in the House last evening when a member asked for permission from other members of the House to withdraw a private member's bill because he said that the government had introduced legislation which essentially covered—and he was satisfied that it fully covered—the concerns and the recommendations he made in his private member's legislation. Here is a law reform commission at work that is already being paid properly within the system. This is the parliamentary role and it should not be given to anybody else.

• (1050)

One wonders if the justice minister is saying that he cannot always control and influence what his colleagues in Parliament do, so that is not good enough, and if he would rather have recommendations from people whom he can control.

It is just another chance for political activists to be rewarded by government appointments and get on the government payroll. It is another haven for Liberal political appointees. The justice minister insults the intelligence of Canadians to claim that this is anywhere close to being an independent commission. The justice minister's fingerprints are all over the whole thing. He picks the appointees. His top assistant and his appointees appoint the group that advises the appointees.

Ms. Clancy: Oh, oh.

Mrs. Ablonczy: It may be funny to the hon. member for Halifax but it is not funny to Canadians. They are paying for this nonsense.

The justice minister has a say in setting the agenda of his appointees. He will have in subclause 5(2) flexibility in how he deals with the commission's recommendations. In other words he has the flexibility to totally ignore them, which is exactly what happened in the past.

The legislation does not say how he has to respond. They are just gathering dust, more reports to gather dust while the money rolls in for the people who have been appointed to do a bit of work.

I close my presentation by making the minister an offer that I feel he should not refuse. The Reform caucus will willingly take on the onerous task of providing the minister with advice on needed improvements and reforms to the laws of Canada. I speak in favour of this generous offer.

First, it is the perfect solution for the justice minister. It will save hard pressed and tax weary Canadians the $3 million a year the justice minister would have to pay his hand picked advisers. We will do it at no extra charge. We cannot get more generous than that.

Second, it would allow the justice minister to help the Liberals keep another red book promise, which so far has been sadly broken, to base appointments on merit rather than on patronage. Who would have more merit in advising the justice minister than Reformers?

Third, the justice minister can be sure that Canadians are really setting the agenda, not his appointed dependants.

Fourth, the proposals will be brought forward in the House of the people for open scrutiny and debate from day one, not hatched behind closed doors and pushed through by forced votes from Liberal backbenchers. It will be truly independent of government and fully accountable to the people of Canada, which is exactly what it should be.

Last but not least, the minister can be absolutely certain that he is receiving truly independent advice.

Voters elect at great consideration and cost their own representatives to legislate to ensure peace, order and good government in our country. If we could be allowed to do our job responsibly and take into account the concerns and advice we receive from Canadians every day, the justice system would make a lot more sense and do a lot better job for Canadians.

As members might have guessed, we strongly oppose the Liberals' appointing people from their approved list of friends to do our job as members of Parliament and we oppose Bill C–106.

The Acting Speaker (Mr. Kilger): The first three interventions had 40–minute maximums without questions or comments.

We will now go to the next stage of debate at second reading of Bill C–106, an act respecting the Law Commission of Canada, where members for the next five hours will have 20–minute maximums for their speeches and be subject to 10–minute question and comment periods.

• (1055)

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, it is passing strange to hear some of the comments I have heard this morning. It is nearly 90 years since Benjamin Cardozo wrote his famous essay "Ministries of Justice".

For those who do not know better, it was said that Mr. Justice Cardozo was the greatest jurist never appointed to the Supreme Court of the United States. Then Herbert Hoover, in what some have said was his greatest act as president, appointed Mr. Justice Cardozo in his twilight years to the Supreme Court of the United States.

When he wrote 90 years ago he was making the case for an independent law commission. Its members would neither be civil servants because they were too close to the minister, too much under ministerial supervision, nor legislators because they were too much concerned with the exigent here and now of reading the flow of papers and attending to the details of legislation. He wanted people with a long vision and a detachment from politics. This is why he made the case.

His ministry of justice was not a ministry in our sense. It was an independent body of law commissioners to take a long view to try and establish the necessary relationship between positive law as written and the society it was supposed to serve.

When he wrote he was undoubtedly reminded of the words of his great friend, we understand from different legal tradition because Cardozo was the son of immigrants who had come from different legal tradition, Mr. Oliver Wendell Holmes who said: "The life of the law has not been logic; it has been experience".

At the time Cardozo wrote the legal system in the United States, Great Britain and parts of the then British Empire, now the Commonwealth that received the common law tradition, the law was essentially known as black letter law. From the vibrancy and creativeness of the early days of the common law it had degenerated into Lord Eldon's, it was said, juridical conservatism: the pursuit of precedents divorced from social reality, the

pursuit of logical interpretations divorced from what happens in the daily lives of citizens.

In its creative period the common law was a law in full evolution. By the 19th century it had decayed into a rigid formalism. This is from what Cardozo had wanted to break away, and this is what those countries that followed him, in a very belated way the United States, have tried to achieve.

The law is more than the study of precedents. Precedents can be studied by law students cramming for examinations. However our society is evolving. In fact at the turn of the century, we lived in a revolutionary period in the world community as dramatic as the Thirty Years War and the late 17th century western European society, a world in revolutionary change with laws that are increasingly out of date.

I think one of the ironies that I encountered in my pre–parliamentary career, visiting many countries that sought my advice, was the knowledge that with the help of visitors from other countries and experts provided by the Canadian International Development Association, CIDA, their laws would probably end up more up to date and more relevant than Canadian laws.

We advise countries abroad because we believe in the free market economy and we believe the free market economy to be properly achieved with liberalization and rationalization of the legal system. We advise many other countries on how to update their laws. The curious thing is that dynamic element sometimes produces commercial law, laws on transactions involving foreigners, that are better and more up to date than our own, than American laws or the laws of other countries exporting their economic ideas. That is a sort of contradiction that frankly is unacceptable in our society.

I spoke of the period of legal positivism, the pursuit of the black letter law, the pursuit of precedents at the cost of reason, which is fortunately behind us as a legal theory taught in law schools.

• (1100)

The legal realist movement focused on the gap between the law in books and the law in action; the law as written in some bygone age and the law in action and how it was actually applied. It is a movement that is peculiarly North American although there are continental European counterparts.

It leads directly into the school of sociological jurisprudence whose founder was the great Dean Roscoe Pound of the Harvard law school followed by the Commonwealth writer Julius Stone and by the man who had the distinction of teaching two American presidents, Gerald Ford and Bill Clinton, and Bill Clinton's wife, Myres McDougal. The notion is that law exists to do other things than to give a pre–defined answer to new problems, that it is in constant evolution, that law exists to solve social problems, that there is a necessary policy element inherent in law and that the only way to get good legal decisions and good laws is to study society.

The intellectual framework of a good jurist today includes much more than logic and much more than the study of precedents. It includes a necessary acquaintance with economics, a necessary acquaintance with the driving forces in commerce, in business in our society, a knowledge of the sociology of the state, of human relations. This is the necessary intellectual equipment of a good lawyer today and it is basically what Cardozo spoke of when he referred to the need for creating ministries of justice.

Legal research would have to be carried on anyway. I asked the Minister of Justice two days ago what had happened when the Conservative government made the decision to cancel the law reform commission, whether he had buried research. He said no, they had to carry it on within the department.

In terms of cost saving we are dealing with essentially the same thing, civil servants. However, civil servants do not have that freedom from the exigent here and now of daily departmental practice that Cardozo said was a necessary element in the process of law reform.

In looking to the formation of the law reform commission again we are responding to the challenge today of a law responsive to society, Canadian society and the society of the world community, in continuing almost revolutionary change in terms of the social forces moving within us. It requires a group of people independent from the government and of high intellectual distinction.

I said to the minister when he introduced this bill: "Your big problem is cherchez l'homme or cherchez la femme, look to the right people. Whom are you going to get?" He said: "Whom can you think of?" He recognizes the need for creative appointments. This is where opposition party members can help. Give the minister names. I said I could give him a couple of names from the past including Mr. Justice Rand, our greatest liberal judge on the Supreme Court of Canada. He gave us a bill of rights before we had the 1982 charter; somebody like that in his creative periods.

I also took the opportunity to cite somebody well known to many members of the House, the late Jean–Luc Pepin who died only a couple of weeks ago in the prime of his life. He was a non–lawyer. This is one of the valuable things in this bill. We do not limit the choice of members of this commission to lawyers. We recognize, as the French have done and the Germans have done, that even on supreme courts, constitutional courts, non–lawyers have a role to play and should be included, and they are.

I had the honour of being chief advisor to Jean–Luc Pepin in the preparation of his report on the Constitution along with John Robarts, Léon Dion and John Meisel. If his report had been adopted many of our problems of federalism today would have been resolved before.

• (1105)

The quest goes on for the right people. Please, the invitation goes to members of the government and members of the opposition to put forward the names. This is intended to be independent. It will only be independent and courageous if we get the right people. The minister is on the right track. They do not have to be lawyers. It is a challenge. We have given so much time to Quebec issues that very much of our creative energy in other areas has been pre–empted. If we do not modernize our own laws the problem of economic recovery will be very much accentuated.

I see no point in my telling Chinese audiences, as I did from 1980 onwards, or audiences in other countries that if you want a free market economy, you need streamlined, up to date laws that respond to the exigencies of the society you are living in. There is no point telling these people that if we do not do it at home. This is the message in the law reform bill. Please see the large issue, see the necessity for this and take the steps to ensure the choices will be excellent ones.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I appreciate the opportunity to speak to Bill C–106 today. I listened to my hon. friend from Vancouver Quadra make his presentation. I have the utmost respect for him. He is a man of much accomplishment in his career. He is certainly an academic and has contributed a lot to his profession and has many accomplishments.

I have one fear, though, as I listen to the hon. member, that the average Canadian is not getting a grasp or is not able to understand exactly what the member is saying. I want to bring this debate away from the level used by hon. member from Vancouver Quadra, a level which, no disrespect intended, was far above the average Canadian.

The hon. member talked about the people who should be involved in this commission. I will use some of his words and reflect on what he said. He said the law commission should be comprised of people in the law profession and people of high intellectual distinction.

Nowhere in his presentation has he indicated in any way that the opinions reflected by the minds of average Canadians should be represented in the commission. That has been the problem with the Minister of Justice's decisions and the government's bills in the two years I have been in the House. Nowhere in the bills introduced has there been any sense of realism between what is in the bill and what is on the mind of the average Canadian.

As parliamentarians we have a profound responsibility first and foremost to represent the concerns and the opinions of average Canadians. This recreation of the law commission is certainly far from that.

The predecessor to the law commission was abolished by the Tories in 1992. The Tory government was never known to be frugal but for some reason it found the commission a luxury it could not afford, which was a surprise considering its record of spending. It had grown as a quite natural progression into a large bureaucracy.

• (1110)

The Tory government in its wisdom decided it could get the same advice from outside sources at a better price. No doubt those outside sources were Tory advisers because the old line parties have a habit of rewarding their friends after they get into government. I have no doubt that this recreation of the law commission is another form of thanking Liberal friends for their participation in helping them get to government. We have seen this over and over again.

The law commission was established in 1971 to review Canadian federal laws and to make recommendations for the improvement or modernization of reforms within the justice system and develop new approaches that would be responsive to the changing needs of Canadian society.

In all honesty we have not seen a lot of evidence that the former law commission responded to the concerns of average Canadians. Its recommendations and work seemed to come out of some academic legal nirvana in which the recommendations were made on behalf of the people of Canada because, in all honesty, as the people formerly of the law commission would probably rightly determine, the Canadian people do not really have the wherewithal to make up their own minds and make reasonable choices about how the justice system in Canada should operate.

At its elimination in 1992, the commission had a budget of about $5 million and a staff of about 30. That was a lot of money. Now the Liberal government wants to revive this law commission. It has set a budget with a benchmark of about $3 million a year. It says the money will come from existing government resources. Anyone who believes that tale I honestly think believes in the tooth fairy; a wilder belief is maybe the Liberal government will some day get its spending under control.

The Liberal government is simply adding another level of bureaucracy to government operations. We have seen over and over again commissions with budget overruns like it is the natural thing to do.

The Canadian people have no reason to believe this commission will not be independent. It will not be accountable to the government except to the wishes of the Minister of Justice.

My hon. friend from Calgary North spoke earlier about this so–called independence. She pointed out very clearly how this commission would operate. There is no doubt the terms of reference for setting up this commission will be at the absolute direction of the Minister of Justice. Despite what the Liberals have said there is no substantive evidence to back up the claim that this will be a truly independent body. We have no reason to believe that. The Canadian people have no reason to believe that.

We have seen how the Minister of Justice operates. We have seen what he does when he wants to give some sort of credence to some of the ludicrous bills he has introduced. He goes out in the field and gathers together some of his political friends who happen to form associations and he gets them to back him up on his decisions.

The Canadian public is not buying that any more. The Minister of Justice now wants to give some extra support to some of the decisions by setting up the law commission. He will then stand in the House and present a bill without any reality of what the Canadian people believe. He is going to present the bill. He will stand up and say: "I would like to inform the House that the law commission has recommended that this reform be made to the criminal justice system". Recommended. I have every reason to believe that the law commission will simply be a rubber stamp for the Minister of Justice. It is a very dangerous situation for this House of Commons and for the criminal justice system in Canada.

• (1115)

The bill will permit the governor in council to appoint—and how many times have we heard that word—a president and four other commissioners and an advisory council consisting of 24 members. I have every reason to believe that every single member of the law commission will be a card carrying member of the Liberal Party of Canada. There is no possible way that a law commission set up by this government, by appointment of the Minister of Justice, can be independent.

There is no doubt that more Liberal appointees will be feathering their nests at the expense of taxpayers. The Liberal government knows that it will have to fight an election in two years. The Liberals want to keep their friends; it is only natural.

The justice system in Canada cannot afford to have a rubber stamp law commission which is held up as an advisory board to help the Minister of Justice put through the law reforms his cappuccino friends in Toronto want. We cannot afford that.

I doubt that when the commission is set up the justice department's budget will be reduced by an appropriate amount. I would like to be able to look into the future to see whether the justice department's budget will be reduced by $3 million. I do not believe the figure of $3 million, but I would like to see the reduction. I do not think it can happen.

If the Liberals have proved anything, it is the ability to mismanage taxpayers' money. Whenever I start talking about Liberals and budgets, I have to remind Canadians that using the Liberals' numbers of 1993, in their term of office the national debt will increase by $100 billion to some $650 billion. The interest payments will rise by some $10 billion to around $55 billion. This is ample evidence that Liberals do not know how to manage money. This gives more credence to the fact that I doubt very much the budget of the Department of Justice will be reduced by the amount which will be spent to finance the law commission.

There is no compelling reason to re–establish the law commission. Law reform is possible without the creation of another government agency which will be supported by Canadian taxpayers. As I stated earlier, the commission will be nothing more than a mouthpiece for the Minister of Justice. No doubt he is desperately seeking some official body to back up his autocratic decisions on gun control and the death penalty. What better way to save his image than to spend $3 million a year to establish a panel of yes people beholden to the Minister of Justice, prepared to put forward or support his personal decisions?

• (1120)

We should be getting our spending under control some day, but most definitely it will not be within the term of office of this government. Consider that the commissioners, the president, the board of advisers are going to be appointed by this government, by the Minister of Justice himself no doubt—

Mr. Stinson: That is the only job creation they know.

Mr. Harris: Mr. Speaker, could this possibly be part of the new Liberal job creation program? I thank my hon. colleague for bringing that to mind.

The commissioners' work can be done in the private sector. I suggest that more average Canadians be involved when it comes to making reforms in the justice system. The hon. member for Calgary North offered the services of the Reform Party of Canada free of charge to the government. We would not charge $3 million; we would work for nothing on this.

If the Reform Party were part of this commission for nothing, at no charge, it would be possible to have a truly independent body at no cost to the government and no cost to the taxpayers. We would pick 24 Reformers out of here and we would form the commission at no charge. We would give input to the Minister of Justice which truly represented the views of the Canadian people, not the views which come from his friends in Toronto. They would be views that were representative of the Canadian people all across the country.

There have certainly been enough questions raised lately about just how Canada's criminal justice system is supposed to work. There have been many instances. There are cases out in B.C. recently where a band of militant natives held the RCMP at bay for a number of days. The people in B.C. were saying: "My God, what is going on when people can draw arms against our country and hold a whole province and the national police force at ransom with seeming impugnity?" We saw the same thing at Ipperwash.

We see serious criminals who have committed violent acts being let out on parole and day passes and for what reason? For reasons that just boggle the mind of the average Canadian, only to have criminals go out and kill, rape and maim again.

These are the concerns on the minds of the Canadian people, not some airy-fairy ideas that come from the minister's friends in Toronto. These concerns come from average Canadians. These concerns are not going to be addressed by the people he appoints to the law commission. They will be there only to do his bidding and not the bidding of the Canadian people.

Mr. Speaker, you can probably imagine that I do not support this bill either. In confusion, in conclusion—

An hon. member: It is a confusing bill.

Mr. Harris: Mr. Speaker, it is no wonder that I stumble on my words. The word confusion comes up right now because I am so confused about the motives of this bill. The minister is not telling the people what he is planning on doing.

I am confused about how this bill has come into the House to be debated and will come to a vote when we found an announcement that the minister is going to create this law commission. What does this debate count for? Anything? Is this a waste of time? Surely the government must have some other business to put forward.

We are going to waste time debating something that is already a done deal. If this deal is already a done deal as we saw by the announcement the other day, that means I have wasted my time in the House. The hon. member for Vancouver Quadra has wasted his time in this House. The member for Calgary North has wasted her time in this House. The Bloc member who spoke on this has wasted her time. Could we not be doing something more constructive than debating a bill that apparently already is a done deal?

• (1125)

I join with my Reform colleagues and the hon. members from the Bloc in opposing this bill in the strongest possible terms. It is inconsequential. It will not achieve any realistic reform to the criminal justice system. It cannot in the form it is proposed.

The Acting Speaker (Mr. Kilger): The Chair never engages in debate but certainly if I can be of any assistance to any member of any party at any time, let there be no confusion that on the government's Bill C-106, the member for Prince George—Bulkley Valley does not support the government's bill.

Mr. Harris: Mr. Speaker, on a point of order I want to make it clear that I do not support Bill C-106.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, the hon. member in his remarks questions why we would be debating this bill today when as he suggests it is some kind of a done deal. He knows full well that the bill is not passed until it is passed.

I am sure the hon. member would not for the world miss an opportunity nor would his colleagues have missed the opportunity to take the time of the House and tell Canadians how undeserving and unworthy this bill was of support. Having taken all his time to do this, something he figures was not worth his time in the first place nor worth the time of this House, maybe he will not find it worth his time to reply to my question. We will see.

This bill which sets up this renewed law commission states very clearly in clause 6 that the commission is accountable through the minister to Parliament for the conduct of its affairs. That is a fairly clear statement, that this commission is accountable to Parliament. It is Parliament that will make decisions about changes in law.

I am wondering what his comment is, what he thinks about the very clear statement that this commission is accountable to Parliament and not anybody else. It is accountable to Parliament. Does he believe what is written in the law on which he will have a chance to vote?

Mr. Harris: Mr. Speaker, I appreciate the question. Clause 6 does say that, but let us examine what accountable through the minister to Parliament really means. In other words, Parliament will have no opportunity to question members of the law commission, only the minister. That is sort of a misleading explanation of accountability.

We all know that unfortunately the Liberal Party has a majority in this House. Quite frankly, on very few occasions do I see the Liberal Party or any of the ministers really paying any attention to what the opposition members say. Every amendment that we ever put through to the Minister of Justice has been defeated by the government. This indicates that the Liberals have a clear agenda that they are going to follow regardless of what arguments the opposition members bring up in the House.

The idea of the law commission being accountable to Parliament through the minister really is just a smoke and mirrors thing. The only way that could work would be if we had a

minority government, where the government did not have an absolute majority in the House.

If our party put amendments or recommendations for the criminal justice system to the law commission, if the minister did not want it to happen it simply would not happen because of the majority in this House. Although I appreciate the structure of the words in clause 6, I believe they are totally unworkable as far as accountability is concerned.

• (1130)

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I rise in support of Bill C–106, an act respecting the Law Commission of Canada. In doing so, I want to focus on one particular aspect of the approach to law reform embodied in the legislation: the emphasis on consultation in the bill.

Consultation is a word that over the years has been sucked into the chilly abstract vocabulary of social and organizational planning and also has become a part of the technical jargon of experts and specialists. Sometimes in the House the word consultation seems to take on a negative connotation.

In talking about consultation in the bill, I am talking about consultation as a living, social process, the antithesis of arbitrary rule, and what is in a positive sense the soul of the democratic system of government; that is, asking what one thinks and getting a response and acting on the response.

When parties bring their policies before the public at election time or other times, that is consultation on the most basic scale. The building of democracy consists in large part in consulting ever more broadly and thoroughly, involving all who have a stake in the process. By consulting one looks at all the players, all those the end result of consultation would affect.

All members of both Houses at this moment are working in a mode of consultation. We are doing the nation's business in a consultation mode. That is, when we are considering something that is before us we see the importance of consultation, the importance of sharing with the stakeholders and getting the views of all stakeholders and bringing this to the discussion.

The agenda of law reform is set by the challenges of the times. It is a continuing task of renovation, identifying existing problems and new trends, and of dealing with the areas of the law in which time and change have revealed gaps and insufficiencies. That task was once handled for the most part by lawyers and legal professionals, toiling in the framework of the royal commission or other temporary bodies. It was shouldered by a permanent law reform commission, which operated from 1972 until 1992, when it was abolished by the previous government to the general dismay of the legal profession.

In the election platform of 1993 we said we would reverse that action. At the same time, we recognized that we should do more than restore the previous commission in a form identical to that prescribed in the early 1970s. We wanted to give that reform life and energy.

The agenda of law reform is shaped in direction and detail by the social and economic environment of the time. That agenda has been utterly transformed since the structure and approach of the previous commission was laid down by Parliament nearly a quarter of a century ago. Times have changed. It is different. We are in different times because Canada is different. First of all, there has been a far reaching social transformation. In 1971 we were a country of 21 million. In 1995 we are approaching 30 million in population. The demographic and cultural composition of our population is different, 1971 to now. We are also 25 years further down the road in terms of our democratic evolution.

• (1135)

Consultation has now been incorporated by custom and institution into our way of life and our way of doing things. Canadians of our time, including the generation that grew up with the charter of rights and freedoms, take it for granted that they will have a part in the making of policies that affect their lives. Meanwhile, transformations in technology, trade, and industrial structure have made the Canadian economy more complex.

As a result of change at all these levels, the inadequacies that make law reform necessary reveal themselves not only in the courtroom but in other settings. They emerge in the marketplace, the workplace, the home, the scientific laboratory, the social welfare centre, and at the centres of learning of about a dozen disciplines. These trends have made it more important that law reform become a co–operative enterprise informed by expertise in many fields.

The process that has brought this bill before us today has been open and consultative from the start. The Minister of Justice knows the benefit of consultation. This process began with two original consultations. They brought together representatives of the academic community, the judiciary, provincial governments, and also non–governmental organizations with an interest in law reform.

The process continued in 1994 with the distribution of a consultation paper on the structure and modus operandi of the new commission. That document went to over 800 groups and individuals and to all members of the two chambers of Parliament.

To illustrate the breadth of the consultation, the organizations involved included, to name a few, the Canadian Medical Association, the Elizabeth Fry Society, the John Howard Society, women's groups, multicultural groups, aboriginal associations, et cetera. Of course the process also allowed the full and

active participation of experts in law. The Canadian Institute for the Administration of Justice held a nation–wide consultation with judges on the proposed law commission. The federal Department of Justice conducted a consultation with legal academics from all provinces. In addition, the subject has been discussed at meetings of the ministers responsible for justice in the federal, provincial, and territorial governments and at other meetings involving both the legal and non–legal communities. That is consultation.

The legislation now before us has been shaped by many hands and moulded by experience in many fields. It is the product of consultation. It proposes an instrument for doing the work of law reform in the same mode. That commitment is reflected on every page of this bill. It starts with the first paragraph of the legislation, which says the advice the commission will provide will be based "on the knowledge and experience of a wide range of groups and individuals".

The first of the five guiding principles in the preamble is that the commission's work should be open and inclusive of all Canadians. This approach is also expressed in the organizational design of the new law commission. Clause 7, which deals with organization, says, in effect, that the five commissioners need not be lawyers or judges or other legal professionals. Indeed, it specifically states that the membership should be representative of the socio–economic and cultural diversity of Canadian society.

As an aside, I heard from the other side that we should have a number of parliamentarians sitting on that commission. Of course there are opportunities here for the full participation of the diversity of Canadian society.

• (1140)

The four part time commissioners would live wherever their homes are, where their full time jobs and occupations require them to be. This means that at the executive level the commission would be linked personally and directly with the concerns of main street Canada.

Clause 18 describes the advisory council of the commission, which will comprise 25 people serving on a voluntary basis appointed by the commission. Like the commission members, the members of the council itself would be generally representative of the diversity of Canadian society. Its members will advise the commission on such things as strategic issues, review of its annual report, agenda setting and performance review. A varied blend of training and experience will be applied to the basic shaping of the process as it responds to the issues of the day.

Clause 20 allows for an even further extension of the commission's connections with other disciplines and backgrounds. Under this clause the commission can bring in voluntary experts and specialists in any aspect of law reform to serve as members of temporary study panels. I am stressing the words temporary and voluntary because the Reformers who spoke earlier seemed to miss that in the bill.

Clause 23 is important in this regard. It ensures the products of work done in this mode will not disappear into a vault but will emerge without delay into the public domain for inspection and discussion. The minister must table any commission report to the two chambers of Parliament in session within 15 days of receiving it.

In short, the commission created by this bill will be itself part of a wider network of collaboration in the work of law reform. It will allow us to renew and extend the architecture of law on the basis of an expert understanding of the complex issues involved. It will permit us to do so efficiently, effectively, and at a manageable cost.

This bill is a blueprint for a law commission that will meet the needs of our time, a body that will be known not only for the legal soundness of its products but also for the relevance of its work on the issues of our time. This bill will meet an urgent need. It deserves our support. It deserves the support of all the members of this House.

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, I am delighted to join in the debate in this area. The area of law reform is one of special interest and special concern to those of us who have in the past been involved in the legal profession. It should be of interest to all of us as legislators.

Having been here all morning, I have listened, sometimes in shock, to some of the comments that have come particularly from the members of the third party with regard to a need for this bill. It may be a good time to talk about why this bill is being brought forward.

One of the hon. members for Calgary noted this bill has the justice minister's fingerprints all over it. It is his bill. I would hope it has his fingerprints all over it. I wonder whose fingerprints should be on it if not those of the Minister of Justice. The Minister of Justice, in his usual well thought out way, has indeed brought this bill forward. We would not mind the solicitor general's fingerprints on it either, but as it happens this bill is brought forward by the Minister of Justice.

• (1145)

I want to talk about the law commission because tremendous things have come from bodies of this nature both at the national level and in various provinces where these bodies exist.

I listened, more in sorrow than in anger, to members opposite talk about Liberal flunkeys. I think of the people who have served on law reform commissions. Those comments ill serve anybody who wishes to be a public servant. In particular, I think of members of the former law reform commission, Mr. Justice Linden, for example. I recall Mr. Justice Linden's coming to a parliamentary committee where he and I crossed swords in an admirable debate on a bill which his commission had brought forward.

Mr. Justice Linden was then of the Ontario high court, as it was known. He is now with the appeal division of the Federal Court of Canada. He is the author of a torts textbook which all of us in the House who went through law school had the pleasure to read. We were taught very well by Mr. Justice Linden through his publications, textbooks and articles. To refer to him as a Liberal flunkey does a great disservice to the bench, the bar and Canadians who serve their country.

In my province of Nova Scotia one of the many lawyers and lay persons who have served so well on law reform commissions is the former dean of Dalhousie Law School, Professor William Charles. He was known across Canada as a law teacher. He was one of the founders of the University of Victoria law school when the University of Victoria asked Dalhousie law school to send professors to help it start a law school. He is unparalleled in his respect across the country in legal circles as someone learned in the law, a law reformer, a law teacher and a legal administrator.

I think of the current president of the University of Calgary, Murray Fraser, another former acting dean and associate dean at Dalhousie Law School. He was the first dean of the University of Victoria law school. He served on the Law Reform Commission of Canada back in the middle seventies before he went on to Victoria.

In Nova Scotia, where politics are taken with pabulum, the Fraser family would be taken aback to hear President Fraser referred to as a Liberal flunkey or a flunkey of any kind. That kind of pejorative talk is unfortunate.

It is perhaps because certain political parties are new to the legislative process that it behoves those of us who have been around a little longer to talk about—

Mr. Stinson: Far too long.

Ms. Clancy: Not according to the people of Nova Scotia.

The people on the Law Reform Commission of Canada and the various provincial law commissions have a job quite different from that of legislators. I have served for seven years in the House. Mr. Speaker, you and I served together on a legislative committee, which I am sure will go down in your memory, when we were in opposition.

Legislative committees are one of the areas along with the Chamber where parliamentarians from both sides of the House can make their wishes, their policy concerns and their concerns generally for the development of legislation heard. That is what we are here for, no question.

• (1150)

A law commission is instituted for those areas that parliamentarians, busy with their daily jobs, do not have time to delve into. The vast majority of members are not lawyers, which is a good thing. The vast majority of members are certainly not academics and, heaven knows, the vast majority of members are not what one could call intellectuals. Consequently we are not in the business of doing the kind of legal research, exploration and prognostication—look it up—that leads to legislation in good government and prods governments to move in ways in the best interests of the country.

That is why people of the calibre of Mr. Justice Linden, Professor William Charles and President Murray Fraser have served at the provincial and federal levels along with hundreds of other Canadians. They have served with one desire and one desire only, to do good for their country.

For members of the opposition to use this bill, which fulfils a red book promise, as some sort of partisan stick with which they think they are beating the government not only cheapens the process when we consider the source but it says to Canadians we do not want their participation in the public process.

We on this side of the House do not say that. Three million dollars for this law commission is a low price to pay for the tremendous contribution of the people who will serve on this commission. What a low price to pay for the tremendous work they will do, for the hours of research, for the incredible gift of their thoughts, hard work and dedication to Canada.

It reminds me of a bit of a cliché about optimists and pessimists, certainly something that has been repeated often; the idea that an optimist sees a glass half full and a pessimist sees a glass half empty. When it comes to the boards and commissions that help us run the country, that advise the government, prod the government, in many cases boards and commissions at arm's length from the government with quasi–judicial functions on behalf of the people of Canada, the glass from my point of view is more than merely half full, it is full.

How very lucky we are in Canada that there are legions of citizens delighted to fulfil this role when many of them could be making more money and certainly taking a whole lot less abuse in other endeavours.

Having dealt summarily with the unusual and perhaps ill–informed comments from the other side, I will talk a bit about the bill. What is the commission created for? It is to fulfil the needs of the government and Parliament for independent, broadly based, strategic advice on legal policy and law reform issues.

That seems to me a fairly straightforward and clear statement of intent.

Independence means not connected to the party in government or the party in opposition. I realize there are many times when the third party does not really behave like a political party. If a party has not been in existence very long and does not have much history, it really does not understand how political parties behave. However, according to the office of the Chief Electoral Officer, it is a political party. It may be tragic. It may be unfortunate but it is a political party. It appears to be a political party with more than its share of empty barrels. As a political party it is not considered independent.

• (1155)

The hon. member for Calgary suggested her party could do this independently. It may well be its neophyte status in Parliament that under the rules of Parliament, even being the third party, it does not qualify as independent. There are other adjectives such as strategic, legal, et cetera, which it may not qualify for as well. I would not comment on those, heaven forbid.

I remind members of the third party as well as my trusting and beloved colleagues on this side of the House that keeping red book promises is very important.

Mr. Stinson: It is called patronage with a capital *P*.

Ms. Clancy: A three syllable word, well done. When I sat on the other side of the House and saw the law reform commission disbanded, I along with many of my colleagues was very unhappy. I knew how important it was to the development of legislation.

One of the things the law commission does is provide a critical eye and a distinctive perspective on modernizing the law. The word modernizing is very important. Words like modernize, progressive and forward looking along with independent and strategic may not be words familiar to some of our colleagues.

The commission will have five guiding principles. It will approach the law from a multi–disciplinary perspective, and this is very important. As I said before, one cannot leave the making of the law and the creativity of law reform merely to lawyers or legislators. One needs to bring in people from all walks of life, to listen to them, to hear what they need.

When I taught law I used to tell my students the law is a reactive social science. In general law will come into existence to react to a specific need, to specific a situation.

Sometimes, as in the case of human rights law, the law is proactive. For many of us, especially those enamoured of human rights law and who see this as one of the brightest lights in our parliamentary careers, the law then becomes proactive.

In general it is reactive and it is the job of a law commission to delve into the hearts and minds of the people in a way that legislators and lawyers in the legislatures do not have the time to do. They have a specific job which they will be doing all the time whereas legislators, contrary to the rather superficial responses of the third party, have other things to do.

We as legislators and as members of Parliament have casework, committee work, political work, travelling back and forth to our ridings. It is a massive job, which I do not have to tell anyone here, including members of the third party.

Consequently if one is to serve the people as one should with the law reform commission one needs people who will dedicate all their time to the particular necessities and exigencies of law reform.

This seems a fairly simple statement and a fairly simple concept to grasp. Obviously it is not in some cases, but I can do only what I have been asked by the people controlling the debate. The chips will have to fall where they may, in empty barrels or elsewhere.

There are five guiding principles. I have talked about the first one, a multi–disciplinary perspective being open and inclusive by making its work more accessible and understandable to all Canadians. This is something that is very dear to my heart.

• (1200)

I taught undergraduates in several universities in Nova Scotia in areas of law, family law, legal status of women, law and aging, and environmental law. I always found it terribly important to demystify the legal process for the majority of Canadians.

A legitimate complaint that comes to us both as legislators and lawyers is that the law is mumbo–jumbo. There are legal documents and pieces of legislation that the average Canadian does not understand what we are on about. Part of the work of the law reform commission is to make the law more accessible and understandable for Canadians and to utilize innovative research, consultation and management practices through new technologies.

As we approach the millennium we have exploding technology in the country. We are one of the leading countries on earth, if not the leading in certain high tech areas. Except for the people trained in those particular disciplines, to the vast majority of Canadians a lot of this is very mystifying.

How much more mystifying is the regulatory and legislative process that surrounds us? Ergo, how much more necessary is it to have the law reform commission take on the job of making sure that as the legislation is brought forward to the government it will be less mystifying to Canadians?

Another important point is being responsible and accountable to key groups affected by law reform through partnerships that build on existing knowledge and expertise. Since it came into power two years ago the government has talked about the question of partnerships. We talked about partnerships between business and government. We talked about partnerships between interest groups and government. It is one reason we have seen massive consultations in all sorts of areas between the government and the people. The people of Canada appreciate that consultation because the previous government of not so blessed memory had no history of consulting with Canadians except in a very few cases.

A law commission gives an opportunity for Canadians to come forward with their concerns about developing areas and the things they would like to see. They can come forward to help develop law in areas that provide for good government. In effect it is a tool of democracy. It is one when we were in opposition we were very distressed to see removed. It is one that we promised in the red book we would reinstate. I could not be happier that we are fulfilling this promise, fingerprints of the Minister of Justice or not.

Next is the achieving of cost effectiveness in operation and the recommendations and advice it provides. This goes back to the well meant but misguided comments of my colleague on the other side who talked about the cost. The cost for Parliament to do the work of the law reform commission in time, in person hours—

Mr. Harris: Reform Party members will do it for nothing.

Ms. Clancy: They will do it for nothing. It is probably like throwing in 10 per cent of their salaries and all that stuff. I notice some of them are not talking about the pensions over there.

That is not what Parliament was elected to do. If my hon. colleagues do not understand that perhaps they need job descriptions. Parliament was elected to represent the people, to debate in the Chamber, to review legislation in legislative committees, to deal with various and sundry public policies in standing committees, et cetera, to do constituency work, and to deal with our political duties.

• (1205)

I can only say that if members of the third party feel they have the time—and I am not even going to get into the questions of expertise—to be a law reform commission, thank the powers that be we are in government and there is little or no danger of that ever taking place under the current government.

I am delighted to support the legislation. I am delighted we are fulfilling a red book promise. I am delighted there will once again be a law commission to serve the needs of Canadians.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I listened to the hon. member for Halifax who mentioned quite truthfully that there was not a vast number of lawyers in the House and that there was not a vast number of intellectuals. I agree with her. The problem is that we have a vast number of Liberals in the House. That is where the problems come from.

The hon. member spoke about the benefits of establishing the law commission. Let us go back and look at the history of the law reform commission holding hands with the Liberal government. For example, the law commission came into being in 1971. Lo and behold in 1976, and I assume at the suggestion, advice and direction of the law commission which is there to represent the will and the opinions of the people, we find section 745 of the Criminal Code was amended in the House to eliminate capital punishment in Canada, to provide for the eligibility of first degree murderers given a life sentence of 25 years to apply for early parole after 15 years. These provisions were brought forward by the member for Notre–Dame–de–Grâce who was a Liberal and still is a Liberal, working hand in hand with the Liberal appointed law commission.

Poll after poll has shown when polls are taken in an honest fashion of average Canadians, something that the Liberal government does not relate to, that they would support capital punishment and always have. Poll after poll has shown that Canadians are disgusted with the fact that violent murderers given life sentences can apply for early parole and in most cases get it after 15 years. Poll after poll has shown that the people of Canada do not appreciate these parts of the law.

How can the member for Halifax stand and say that the law reform commission, holding hands with the Liberal government, is reflecting the will of the Canadian people? I should like to ask her some specific questions.

These are some of the things Canadians have told us are wrong with the justice system, some of the things that would have been fixed if the law reform commission had been an effective body that listened to the will of the people.

First is the delay in implementing the use of DNA testing, which at the insistence of our party the government finally got around to. Had the law commission prior to being disbanded in 1992, and maybe it did, recommended to the government of the day that DNA testing be brought in, perhaps we would not have had to wait so long and perhaps some of the murderers who have gone free because we did not have access to this way of gathering evidence would be behind bars right now.

If the law commission was so effective, how come it took us until 1995 to deal with the drunken defence used in the courts? Why did it take us that long if the law commission was so good?

I talked about parole eligibility. If the law reform commission was so good, why has it not closed the loopholes in parole eligibility? What about violent criminals being let out of prison early? If the law reform commission was so good, why do we have violent criminals walking the streets because some parole board has screwed up its decisions? Who is charged with fixing those mistakes?

• (1210)

Let us talk about what upsets Canadians most of all, the grand idea of condoning plea bargaining in our justice system. Canadians are fed up with seeing people accused of crimes plea bargaining away the more violent sections of the crime in order for the courts to give a lesser sentence and get a sure conviction.

If the law reform commission is so good, why do we have so many things wrong with the criminal justice system? The fact remains that the laws of the country are made by lawyers for lawyers with little regard for the opinions, concerns and wishes of Canadians. If it were not that way we would not have so many problems with the justice system.

Canadians have had enough with law commissions and a Liberal government that treat criminals as if they have special rights. In 1982 the Liberal government brought in a Constitution and in the section on rights granted more rights to people who break the law than to people who keep the law. That is an absolute disgrace and the legislation will not change a thing.

Ms. Clancy: Mr. Speaker, I appreciate the comments of the hon. member because what I hear in them is a real cri du coeur. I understand his being upset about certain situations that he perceives to be developing in the country. There are several things to consider but let me deal with a number of comments he made.

With regard to the problem of there being a Liberal government, I would only say to the hon. member that the government was duly elected in a very democratic process. A majority of Canadians elected a majority of Liberals. We are here to represent the wishes of our constituents, just as the hon. member is here to represent the wishes of his. It so happens that a majority of Canadians picked this Liberal government. I understand he does not like it. I understand he does not agree with it, but there it is. It is a fait accompli and unfortunately he will have to deal with it. I suspect he will have to deal with it after the next election as well, but we will wait and see.

There is a real misconception in the land with regard to criminal activity. This is not to minimize the criminal activity that takes place but unfortunately some of our hon. colleagues in the third party are overly influenced by American television and American newspapers. The crime rate is not rising in this country over all. It is rising in the United States; it is not rising here. As a matter of fact in certain sectors it is dropping, but good news unfortunately is not something the third party deals in.

I will certainly not deal with the member's meanderings on the issue of capital punishment. As my constituents well know I have been against capital punishment from the first time I ever heard of it. I will continue to be against capital punishment for the rest of my life. The people of Halifax know well what my feelings are on this and other issues, never having been one to hide my opinions.

I go back to what the hon. member said about the law commission. With the greatest of respect it shows he does not understand it. The law reform commission is not the House of Commons and the House of Commons is not the law reform commission. They are two separate entities with two separate jobs. The law reform commission is there to research and recommend. Then the government and the House of Commons can accept or reject its recommendations. In many cases those recommendations are accepted; in other cases they are rejected.

They talk about it being hand and glove with the Liberal government. I merely ask the member to take any list of the previous members of the Law Reform Commission of Canada, or of those provinces that have law reform commissions, and he will see people who have served their country, served their province and served their community in ways the third party would like very much to be able to emulate.

• (1215)

We are talking about people who are eminent members of their communities, holders of the Order of Canada, people who have been honoured by non–partisan members of their community. I for one find this disappointing, tragic, and I would go so far as to say despicable, that they would cast aspersions on the characters of such a large group of public servants, of people who serve Canada.

Why would these people cast aspersions on people who wish to serve their country? Why is membership on a federal board or committee, a provincial board or committee, or a municipal board or committee something that should taint you? I am appalled that anyone would suggest this. I am appalled that there is such a narrow and angry and sad view of public service in this country by the hon. members of the third party, that they do not rejoice in the opportunity to serve Canada, in the opportunity to stand up and say how lucky we are to be in the House of Commons or how lucky our constituents are to be able to serve their country.

If they do not feel that way, I can only say we feel on this side of the House a great sorrow for them at the loss in their public participation.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, it is always a pleasure to follow the member for Halifax, if only because very often there is nothing left to say so I can speak much more briefly.

I want to comment on how this bill fits in with the overall Liberal vision and the overall Liberal plan for Canada. I think the Reform Party is shortsighted when they criticize this bill only on the limited grounds they have set out. In reality, justice issues in many respects are economic issues. I say this because I come from a community, Windsor and Essex county, that has prospered as it leaves the recession. We are probably on the leading edge of recovery from the last recession.

I have noticed at home, and our city leaders and our citizens have noticed as well, that as our community becomes more prosperous, as we have more jobs, as we have a healthier community economically, we have a healthier community in other ways. When we look at the health of the community and we look at how we have been affected by this recovery from the recession, or partial recovery from the recession, what we see is that violent crime has gone down, other forms of crime have decreased, and the pressure of social problems has lessened. This is because the community is in better shape economically.

In the early 1980s, when the last great recession hit, I was practising law in Windsor, not as a young lawyer but as a new lawyer. I did a bit of matrimonial law in addition to my regular criminal practice. It was devastating, because as there were layoffs at the auto plants and at the feeder plants it seemed there were more marriage breakdowns. As there were more marriage breakdowns, it seemed that my practice in what were then called juvenile delinquents, young offenders, increased in terms of criminal law. It seemed to me also that I had to deal with more domestic violence in my practice.

Subsequently, when I began to prosecute I found the same thing. With economic waves and downturns and the economic roller–coaster we have experienced in the recent past in Windsor, domestic violence and other forms of violence increased. There were more robberies, more property offences, more break–ins. You could see and palpably feel the link between economic health and social health in our community.

• (1220)

When Reform talks about the justice system they should do so within the greater framework of economic development in our communities. A community with a healthy economic base and with active ongoing economic development is a community that is going to be healthy in other areas. This is part of the Liberal program for healthy communities.

The law commission is a very small part of this. I would like to point out that this is not something we have just recently pulled out of the air; this is something for which we set aside money in our February 1995 budget. In their joint wisdoms, the Minister of Justice and the Minister of Finance agreed that setting aside a relatively small amount of money out of the overall budget for the work of the law commission was an important part of moving Canada forward, moving forward into communities like Windsor, Tecumseh, and St. Clair Beach to make them healthier.

The law commission allows us to reach into individual communities and into the broader Canadian community for advice and help as to how we can improve our justice system. As we are increasing the number of jobs in the country, over 400,000 since we were elected, as we are making the country economically more viable and as we are making it more prosperous, we are also looking at and dealing with aspects of our criminal justice system and our justice system in general that can be improved.

The Reform Party complains about the way the commission is set up. In reality, the commission is doing what the Reform Party has asked us to do. It is allowing us to go to what they call the grass roots. In reality, of course, the Reform Party's grass roots are people who think like them, who are not a majority of the country. They have a fundamental problem with democracy, which allows the majority of a country to rule.

We are not satisfied with that either. We know that not everyone who voted for us agreed with every single thing we wanted to do in the red book. We know that the people of Canada who voted for us did so because of the overall thrust of our policies, and they may have some disagreements. We are not satisfied with that. We are setting up structures that allow us to reach out to find out what is going on, what people are thinking and where we can go.

The Reform Party derides the efforts of the former law reform commission, which was summarily executed by the Conservative government. Deride that as it will, this is not the old law reform commission; this is a new law commission, and it is a commission with a difference. This commission has a special mandate, which is very different from that of the old law reform commission.

When the law reform commission was eliminated there was a cry from many parts of the country, from groups that had benefited, who had been able to persuade the law reform commission that new advances were required and changes were required in the law and who saw that come to fruition in legislation. However, this law commission, with its special guiding principles—which are not just stuff we are talking about, they are actual principles we have put into the legislation—has a very real difference, which will allow us to tap into what all Canadians are thinking about our justice system.

This law commission is mandated to take a multi–disciplinary approach to law reform and to the legal system. Like the Liberal government, it sees the justice system as part of a broader social and economic environment. It is mandated to look at what

people have to say from a social work perspective and at what people have to say from labour. It is mandated to look at what people have to say who are concerned about violent crime in our communities. It is mandated to take a look at what probation officers have to say, at what parole officers have to say, and at what the people on the street have to say. It is mandated to be open and inclusive by making its work more accessible and more understandable to all Canadians.

• (1225)

The member for Halifax indicated that she has always believed there is a need to demystify the law. Any of us who have worked in the law know that is the case. We can work in an ivory tower, prepare our mumbo–jumbo and talk to each other with our special language and never communicate that to Canadians or to our clients. If it is a mystery, it is somehow something only a specialist can deal with.

We are not content to have that carry on. The Reform Party talks about that all the time. Yet it criticizes us for making a law commission that is open, inclusive, and makes its work accessible and understandable to all Canadians.

This law commission will utilize innovative research, consultation and management practices by utilizing new technologies, something that, as good as it was, the old law reform commission was not very good at doing. It will be responsive and accountable to key groups that are affected by law reform through partnerships that build on existing knowledge and expertise.

This is an interesting one, because this again contrasts with what the Reform Party says and what it does. The Reform Party loves to talk to us about special interest groups. It loves to accuse the government of being captive to the special interest groups. What it means is that we listen to groups it does not listen to. Its special interest groups, like the American National Rifle Association or certain alleged wildlife organizations or the people who I like to call the gunners, are of course not special interest groups. That is not what Reform members mean; they can listen to those special interest groups.

There are lots of special interest groups out there. There are groups that are interested in the welfare of human beings. There are groups that are interested in benefiting mankind and their fellow Canadians. The law commission will give them a place to go, so they do not have to spend hundreds of thousands of dollars lobbying parliamentarians who are busy with other aspects of their work. It gives them a place to go and be heard. It also gives the individual a place to go and be heard as well. I cannot see how the Reform Party could object to that.

The law commission is mandated to be cost effective in its operations and in the recommendations and advice it provides. The last law commission, indeed many of the vehicles that governments have used in the past to advise them, did not have to worry about budgets or about making recommendations the government could implement in a cost effective manner. We are mandating this group to do so. We are telling them to come to us with a project or a piece of legislation and think of the economic impact that will have as well.

I suggest this bill is part of good Liberal government in Canada. It is part of what the majority of Canadians elected us to do.

I will never forget what the little person from the Reform Party who ran against me said. When Reform became the government—quite a leap of fancy—it would listen to Canadians. Here we are providing the vehicle to not just listen to Canadians but to go out and shake them and ask them what they think about this, so that we can incorporate their views into our overall scheme. When we try to do that, where is the Reform Party? Politics as usual. It is here heckling and arguing but it has not bothered to take a look at what this bill really does.

On that point I would like to comment on something else I heard today, which is the use of what I would call fear tactics and fearmongering to try to scuttle a bill of the importance of this one.

When Reform members talk about violent crime, when they feed the myth that violent crime is on the upswing in Canada, they do their own constituents a disservice. It is not for them to create a false environment and then try to force the government to operate within it. It is not for them to set up a straw dog in order to knock it down. It is up to them, as a responsible third party, to focus on problems that actually exist in society.

There is no question that violent crime exists in Canada. There is no question that violent crime that exists at any level is unacceptable. However, it is wrong to suggest that it is growing and this government is doing nothing about it. It is also wrong to suggest that a law commission made up of people from every aspect of our greater Canadian community will do nothing about it.

• (1230)

This bill responds to Canadians. I compliment the Minister of Justice for what he said when he announced this bill. It sets out a real Liberal and a real Canadian attitude to law reform: "Canada's legal system faces complex legal issues that require more than a legal solution. Effective long term remedies lie in an approach that includes not only legal but social, economic and other disciplines as well. The Government of Canada believes that an independent, multi–disciplinary law reform body is essential to this process".

I would suggest that is good common sense. I would suggest that the Minister of Justice is right on. That is the Liberal vision. That is the Canadian vision.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am very pleased to have this opportunity to express my support for Bill C–106.

The legislation we are considering responds to the urgent need for a permanent body to advise the government on the improvement, modernization and reform of the laws of Canada. As this bill makes clear, there are many requirements to be met if this work is to succeed. We must have openness of process and the focusing of a multi–disciplined expertise on these issues.

Something else that is required is a close attention to the matter of costs by the commission both in its methods and in its goals. This was a concern expressed by the Reform Party. It is this aspect of the legislation I want to concentrate on today.

In the context of this bill, there are two aspects to the challenge of efficiency. One is the need for the commission itself to meet the test of cost effectiveness, both in its organizational architecture and in its approach. The other is the requirement that the commission's work contribute to the cost effectiveness of the Canadian legal system in general.

The structure of the commission supports these goals. Four of the five commissioners will serve on a part time basis. The members of the advisory council will serve without pay. So will the members of the temporary study panels that the commission will create to provide expert assistance on the specific issues of the day. Hon. members will also find that the administrative and the operational arrangements visualized in the bill reflect the concerns for costs.

The legislation steers the commission away from the pitfall of trying to do everything itself. As the preamble makes clear, it will promote partnerships with a wide range of interested groups and individuals, including the academic community.

The commission will save money by sharing services wherever practical. For instance, the previous commission maintained an in–house library. The new commission will make use of existing facilities. This approach is implicit in the administrative apparatus. The commission will be served by a secretariat of no more than eight people.

Unlike its predecessor body, the commission will not retain a significant body of full time researchers but will make greater use of contract help. There are several advantages to this arrangement. The most obvious is that one avoids having to hire an in–house expert specialist for every issue or alternatively, to expend time in bringing in–house staff up to speed on new agenda items.

• (1235)

Hon. members will also note that the bill designates the commission as a departmental corporation. This too impinges on cost effectiveness. It allows the commission to receive gifts, bequests and other donations from outside sources and to reimburse some costs through the sales of its publications.

The important question is what it will all cost. The government said as early as in the red book and has kept saying since that the commission will operate on a budget of $3 million a year, all of which will come from funds already voted. This is Spartan fare indeed considering that the previous law commission operated on approximately $5 million a year in its last operating year. Ten years ago it would not have been possible to tackle a task of this magnitude within these limits. What makes it possible today is the structure and the modus operandi outlined in the bill. What in turn makes that possible is new technology.

The bill before us recognizes the importance of that factor. The preamble incorporates as a guiding principle the requirement that the commission use new technology wherever appropriate in order to achieve "efficiency in its operations and effectiveness in its results". The commission will do so in every phase of its operation.

For example, a large part of law reform is research, the painstaking gathering, sharing and storing of information. The use of modern information technology will make it easier and cheaper to do all of these things. The same technology will cut other costs down to size.

For example, law reform is envisaged in this legislation as a consultative process in which people from many fields and regions will present their viewpoints and reason together. In the days when that required a convergence of experts from all over Canada to one location, that activity alone would bite large holes into the operating budget. Today fortunately we can achieve that meeting of minds at a much lower cost by making intelligent use of information technologies, for example through on–line networking, teleconferencing and video conferencing.

These new tools can also lighten the administrative load. The birth of a new organization no longer has to mean the making of a new multi–layered mini bureaucracy. On–line networking for example makes it possible for organizations to share personnel, pay and other services. The commission will take full advantage of these opportunities.

This bill is a mandate for the pursuit of efficiency, both in the internal workings of the commission and the interpretation of its mandate.

As the bill says, one function of the commission will be to recommend measures to make the legal system itself more efficient and economical. As the commission considers which of various options for reform to recommend, it will give full weight to the element of costs, both the immediate ones and those associated with downstream economic and social impacts.

The importance of this part of the commission's role has influenced every aspect of its design. It is reflected, for example, in the emphasis in this bill on the multi–disciplinary approach to law reform, one that involves not only lawyers but also economists, scientists and other experts. Efficient solutions can only come when we see the problem in the whole context. This applies with full force to law reform.

• (1240)

The failure to take costs into effect leads to system overload. It weakens the administration and enforcement of the law. It undermines the confidence and credibility that sustains the law. Because the law touches on every aspect of our national life, it is detrimental to our national well–being if we do not take these cost factors into account.

Cost effectiveness, the quality of achieving a high ratio of output to input has achieved something of the status of a common cause. It is the recognized prerequisite to Canada's competitiveness on world markets. It is the key to the sustainability of the social programs which are this country's pride and its strength. It is vital to the efficiency of the legal system which has the infrastructure for everything else.

The cost effectiveness component will also allow us to bring together legal and other experts, scientists and scholars, through these technological advances to allow them to be part of improving the law in Canada. This is going to open up the whole process of law reform and the appreciation of the law in this country.

By spending less we are really going to be able to do more. Most of all, it is going to put us back in the lead of all western nations as a country that has a law reform commission or a law commission as it is in this case. In our modern society we have to have laws which are going to evolve with society. No law can be looked on as a law that will rest in its exact form for an indefinite period of time. We constantly must be looking at our laws and appraising the needs of society for changes in the laws.

If, as some members have said, this can be done through the Department of Justice, then of course we are blind to the context at which we must look at our law. We must look at our laws separate and apart from the Department of Justice so that recommendations can come to the department from outside. That is by far the healthiest way of approaching this.

Today in our society and in the world we must be conscious of the strength of the rule of law. People look to our laws and they look to our society. Part of our society is the fabric of our laws. When investment takes place it not only looks at the economic climate but it also looks at the stability of our system and the forthrightness of our laws.

This bill is going to do a great deal to enhance an already tremendous respect for the Canadian justice system throughout the world. I am very pleased we are dealing with this bill today.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

• (1245)

And the bells having rung:

The Acting Speaker (Mr. Kilger): The chief government whip has asked us to defer the vote until Monday of next week at 5.30 p.m.

* * *

INCOME TAX CONVENTIONS IMPLEMENTATION ACT, 1995

Hon. Ron Irwin (for the Minister of Finance, Lib.) moved that Bill C–105, an act to implement a convention between Canada and the republic of Latvia, a convention between Canada and the republic of Estonia, a convention between Canada and the republic of Trinidad and Tobago and a protocol between Canada and the republic of Hungary, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, be read the second time and referred to a committee.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak today at second reading of Bill C–105.

Bill C–105 implements reciprocal income tax conventions between Canada and Latvia, Canada and Estonia, Canada and

Trinidad and Tobago and a protocol to the current income tax treaty between Canada and Hungary.

[*Translation*]

These tax conventions or treaties, as they are also sometimes called, and their amending protocols, are similar to other conventions already approved by this House.

Tax conventions have two main purposes: firstly, to avoid double taxation of income and, secondly, to prevent tax evasion. However, not all tax conventions require Parliament approval. Certain tax agreements require no legislative measure when the Income Tax Act already contains equivalent provisions.

For example, an agreement respecting the profits of airline and shipping companies and confirming the exemption they are entitled to under the Income Tax Act would not require legislative authorization.

On the other hand, double taxation conventions all require parliamentary approval, because they change the effect of national legislation, specifically the Income Tax Act. The same criteria apply to amending protocols.

This is why we are considering Bill C–105.

A few minutes ago, I mentioned conventions that have already been approved. Those in Bill C–105 are no different. They are part of a series of tax conventions dating back to 1971, when reform of our tax system necessitated Canada's developing a network of double taxation treaties with other countries.

[*English*]

Bill C–105 continues along this path. Canada now has double taxation treaties in place with 55 other countries. This point brings me to a related topic, the selection of countries for reciprocal tax treaties. How does the government decide with which countries to negotiate tax treaties? Are there benefits to having tax treaties with other countries? Let me take a moment and review this process. Canada does not need any legislative authority to negotiate and sign a tax treaty relationship with a country. Legislation comes later, such as with this bill, when measures in the ensuing convention differ from those affected by our Income Tax Act, as I have explained.

• (1250)

A tax treaty with a specific country is usually pursued because the government wants to encourage foreign investment in Canada and investment by Canadians abroad or as a result of budget measures.

The 1992 budget announced Canada's willingness to reduce its withholding tax on direct dividends to meet with the national norms. The 1993 budget subsequently announced Canada's willingness to eliminate the withholding tax on specific royalties to ensure the competitiveness of our technological industries.

There are three primary factors to be considered when negotiating a tax treaty with a country: how much Canadian investment is planned for that country, Canada's desire to encourage economic reforms there, and that country's interest in expanding its trade and economic relations with Canada. The tax treaties in Bill C–105 meet each of these three criteria.

Bill C–105 is neither earth shattering nor housekeeping legislation. Rather, it is the workaday legislation that addresses the dual issue of fair taxation and good international relations.

In this era of governments reappraising their roles, particularly their economic roles, and an increasingly interdependent open, global economy, reciprocal trade tax treaties make sense. They certainly do not hinder economic competition, which for Canada is an important factor of life.

Canada is above all a trading nation and we must keep expanding our trading boundaries and therefore our relationships with other countries.

A few items apply to all four treaties in this bill. First, while tax treaties vary from one country to another, these proposed conventions are similar to other treaties already concluded by Canada. They are patterned on the model double taxation convention prepared by the Organization for Economic Co–operation and Development.

Second, each treaty has been negotiated individually and has taken into account the relevant policies in each country.

Third, Bill C–105 provides an equitable solution to the double taxation problems that exist between Canada and these countries. Double taxation occurs when international transactions result in the same income being taxable in the hands of the same person by more than one nation.

In addition, the protocol brings the convention with Hungary in line with current Canadian tax policy, particularly with regard to the rates of withholding tax.

Here are some of the technical aspects of Bill C–105 that apply to the treaties with Estonia, Latvia and Trinidad and Tobago. There will be a withholding tax rate of 5 per cent on dividends paid to a parent company and on branch profits and 10 per cent on interest and royalties and management fees in the case of Trinidad and Tobago. A 15 per cent rate of withholding tax will apply on other dividends.

The conventions also provide for a number of exemptions in the case of interest. For Estonia and Latvia a zero rate will apply to interest paid to the governments, the central banks, the Export Development Corporation and from sales made on credit.

For Trinidad and Tobago a zero rate will apply to interest paid for government indebtedness and on loans or credit from the Export Development Corporation or its equivalent there and to interest paid to pension funds.

Canadians will benefit from any future changes extended by Estonia and Latvia to other OECD member countries with respect to the withholding tax on copyright and patent royalties. Trinidad and Tobago will maintain the exemption on copyright royalties. Pension payments and annuity payments in the case of Trinidad and Tobago will be taxed at a maximum rate of 15 per cent in the source country. However, war pensions in Trinidad and Tobago will be exempt.

• (1255)

In addition, social security pensions will be taxed in the originating country and the withholding tax rate on annuity payments will be dropped to 10 per cent.

Also with respect to Trinidad and Tobago, the two–year exemption for visiting teachers will no longer exist and seasonal workers will not have to pay Canadian tax if they earn under $8,500.

I turn now to the protocol negotiated with Hungary. For historical purposes I should mention that Income Tax Act amendments in 1976 increased the rate of withholding tax paid to non–residents from 15 per cent to 25 per cent unless reduced by a tax treaty.

The existing treaty between Canada and Hungary reduced the withholding tax rate to 10 per cent on dividends paid to a parent company and 15 per cent in all other cases. However, that convention was negotiated before the 1992 budget announced Canada's willingness to reduce its withholding tax on direct dividends to 5 per cent. The revised protocol before us today reduces that rate and the rate of branch tax to 5 per cent by 1997. There are no changes in the rates of withholding tax on other dividends.

Tax treaties such as this are important tools for countries. The benefits they provide in helping to stabilize tax systems foster international trade and investment which are very important in today's global environment.

Canada will not lose any revenue from the concessions in these conventions. Not only will Canada gain from increased trade and investment, we will gain from the reduced withholding tax rates and other concessions.

There is nothing in the view of the government contentious in the bill. By passing this legislation the number of countries with which Canada has tax arrangements will increase to 57.

I urge my colleagues to give Bill C–105 speedy consideration so that we may get on with more pressing issues.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I am pleased to rise to express the Bloc Quebecois' assessment of Bill C–105.

As the government spokesperson said before me, this bill is not controversial, it is a matter of course in trade relations between countries.

The bill concerns the implementation of conventions between Canada and various countries, including Latvia, Estonia, Trinidad and Tobago, and Hungary to avoid double taxation and prevent fiscal evasion with respect to taxes on income.

It is a very technical bill that was first negotiated by officials in Canada's diplomatic corps and public service, and we are ratifying the treaties they concluded, with this bill.

As the government spokesperson put it so well, this sort of thing is standard between sovereign countries, countries that want to promote trade. The bill is based on the standards defined by the OECD, the Organization for Economic Co–operation and Development.

You might be wondering why I wanted to speak on behalf of the official opposition. Because this bill, which has been described as arising as a matter of course, could serve as an example, a point of comparison, for the events that could occur the day after a yes vote in the referendum in trade and economic relations between Canada, the United States, Quebec and other countries in the world.

• (1300)

In their trade, diplomatic and political relations, countries look after their own interests, as the opposition member clearly pointed out. In a proposal like the one before us, before concluding a treaty or an agreement—and there are now such treaties and agreements with 55 countries in the world—, we look after Canada's interests. We look at these countries' investments in the Canadian economy and at Canada's investments in the countries with which we have treaties.

At some point, after assessing our trade and economic interests, we sign a treaty. So there is nothing contentious in all of this. Negotiations take place, the various countries check their laws, and it is quite normal to sign an agreement so that Canada and its partners can maintain and improve their regular trade and economic relations.

In the debate currently taking place in Quebec and Canada on the prospect of a sovereign Quebec, economic and trade arguments are often on the agenda. Just the day before yesterday, the Minister of Finance claimed that Quebec's sovereignty would threaten 1 million jobs in that province. When we examine the finance minister's speech, we see that these million jobs would

be threatened if trade between Canada and Quebec and between the U.S. and Quebec was reduced to zero.

Can trade between Canada, Quebec and the U.S. be reduced to zero? Will Quebecers and people in Jonquière stop buying Ford cars if these cars meet their requirements? Will people in the U.S. stop—

[*English*]

Mr. Flis: Mr. Speaker, I thought we were debating Bill C–105, an act to implement tax conventions between Canada and Latvia, Estonia, Trinidad and Tobago, and a protocol for the tax treaty with Hungary. I find it very difficult to see how what the hon. member is saying is relevant to the bill.

The Acting Speaker (Mr. Kilger): The hon. parliamentary secretary of course is a very experienced parliamentarian. The question of relevance does come up from time to time in the House. In the past few days it has come up and possibly in the days to come it will come up more often. It is good that we are reminded of it and we should be mindful of it.

[*Translation*]

The question of relevance is raised from time to time. It was probably raised a bit more often this past little while and it is likely to come up more often yet in the weeks to come. While I wish to remain sympathetic to both sides I just want to say that the hon. parliamentary secretary reminded us of the need for relevance and I hope we will be mindful of this requirement in all our remarks. I will be monitoring the debate very closely.

The hon. member for Jonquière still has the floor.

Mr. Caron: Mr. Speaker, I am very happy that the hon. Parliamentary Secretary to the Minister of Foreign Affairs called me on relevance because I thought it was rather obvious. Here is a country, Canada, with 28 million people. This country may well rank sixth in the world in terms of per capita gross domestic product, given purchasing power parity. This is based on 1991 figures.

• (1305)

This country, this great country which is a member of the G–7 and the international jet set, sees fit to enter into trade relations with countries that I would not describe as small—I will not use this qualifier often used by our friends opposite, because it evokes little people and conveys the somewhat pejorative idea of being of minor importance—but rather as countries with not as large a population as Canada.

Latvia, for example, has a population of 2.6 million; Estonia, 1.5 million; Trinidad and Tobago, 1.3 million; and Hungary, 10 million. While these countries do not have the economic prestige and stature of Canada, as it stands and as our friends opposite see it, Canada has negotiated tax treaties with them based on the OECD model. This is normal. Earlier, the spokesperson for the opposition said that this is normal; this is the way things are done between civilized countries of the world, that is those countries which look after their best interest.

We did not see or hear anything from Latvia, Hungary, Trinidad and Tobago to the effect that Canada is too big, that its economy is too strong, or that it will impose unacceptable conditions to those countries.

I do not know for sure, since we do not have newspaper articles from Latvia, Hungary, Trinidad and Tobago, and all the other countries, but we do not feel that Canada acted improperly with sovereign nations.

The point which I am making is that, right now, English language newspapers in Canada are constantly saying: "If Quebec becomes a sovereign nation, Canada will not deal with it because Canada is twice as big as Quebec. You will not count at all on the North American market. You will probably not be able to trade any more. Americans will probably stop buying your aluminum or your paper, and you will stop buying their cars, their refrigerators and IBM computers. You will have to go down on your knees and pay twice the price, because the United States is too big. Americans will not comply with international standards; they will try to crush you".

When I look at the bill before us this morning, I realize that this will not be the case. We are talking about Latvia, Estonia, Hungary, Trinidad and Tobago. We are talking about countries which do not have close relations with Canada, which have not been part of Canada for 130 years; there is no problem with these countries. Canada does some trading and has good diplomatic relations with these countries, and there is no problem when the time comes to sign conventions.

However, when they are talking about Quebec, which has been part of Canada for 130 years, they kowtow to the U.S. They seek a statement from the U.S. secretary of state, in the hope that he will say: "Should Quebec become sovereign, we may decide to renegotiate NAFTA, we may impose additional conditions; your cultural industry may be crushed; American movies will flood the Saguenay—Lac–Saint–Jean market, which is 98 per cent French. Movie theatres showing French language movies will close; French language newspapers will have to be highly subsidized and may even have to stop publishing. It will be the end of the world".

When you see bills such as this one, which is described by the government's spokesperson as being the normal thing to do, without any problem, you tell yourself: "Indeed, there is no problem signing commercial treaties with Latvia, Hungary or any other country. Why then should there be problems if Quebec becomes a sovereign nation"?

I think it might be worthwhile to use some examples. If they had said "We will make an exception for Latvia and Estonia,

because they were part of the Soviet block for a long time, because they lived through difficulties, because they are small countries which valiantly defended their sovereignty, which survived the Soviet empire's steamroller, which maintained their language, which maintained their cultural identity, which defended themselves, and which succeeded against all odds in becoming sovereign as soon as the Soviet empire loosened its hold slightly. If they have succeeded in doing so, it might then have been said that we, Canadians, rightfully considered the boy scouts of the world, are prepared to defend widows and orphans everywhere in the world."

• (1310)

As soon as Estonia and Latvia were free of the Soviet Union, the first thing they did was to demand sovereignty and seek recognition. We could have said "We will give Estonia and Latvia special treatment, we will help them, we will support them because this is an acknowledgment of their contribution to the world balance of democracy." But no. We echo what the spokesman for the opposition said just now: "It is a matter of interest. We have investments over there; they probably have some here. We sign. No problem. A matter of interest. Not a matter of politics. Not a matter of feelings. Not a matter of anything at all. Not of acknowledging countries which have succeeded in gaining sovereignty, which have lived through 50 years of communism and the Russian steamroller. Which have survived all that. No, just a matter of interest. Well, all right then.

Take the example of Hungary. We know what happened in Hungary in the 1950s, an attempted revolt against the Soviet empire. The Hungarians were crushed. Canada took many of them in, to its credit. Although I was very young at the time, I remember it because it made a strong impression upon me. But the bill does not say "We are entering into a protocol with Hungary because it did great things during the 1950s and because there are many Hungarians in Canada and so we will help them now". No. They say: "No, we signed a protocol with Hungary because it is in our interest to do so. Hungarians have investments in Canada, and we have investments in Hungary. We want to continue to trade with them, so we sign agreements. That is how things work at the international level". The same for Trinidad and Tobago. In fact, the opposition critic explained that some harmonization was necessary in our trade with Trinidad and Tobago. No problem at all.

So I read this bill and, speaking on behalf of the official opposition, I say: "We have agreements with Latvia, Estonia, Trinidad and Tobago, Hungary and 55 other countries in the world. Wonderful". So I start off by saying: "There are certain things that are done involving large countries and small countries. Small countries which Canada does not seem to look down on, which it respects because they are sovereign". That is the beauty of sovereignty: you get respect. Whether you are big or small, when you are sovereign, you are respected because there are international conventions and practices, and the rules of the game are clearly established. And that is why certain countries want to become sovereign. Today, Quebec is one of those countries. I say country, because to me, Quebec is a country.

Look at Quebec. When you see Quebecers and hear them talk and look at their history, you realize that, like it or not, Quebec is different from other parts of Canada. This is not to denigrate the people of Newfoundland, Franco–Ontarians, Westerners and British Columbians, but Quebecers are a bit different, and today, some of them are saying: "At the international level, we are going to make this country a sovereign state. And now, one of the arguments being made in this debate is that Quebec will be in for hard times".

Daniel Johnson said: "Oops, if you become sovereign, there go 92,000 jobs". The very next day or three or four days or a week later, when they had a chance to think about it, they realized that 92,000 jobs was perhaps not impressive enough. So a respected federal finance minister told Quebec: "92,000? Probably more like one million". Not 900,000, not 900,100 or 909,150 but one million. That is impressive. We are "millionaires" in terms of job losses. He is not saying: "Oh, you will not lose one million jobs", but: "You might lose one million jobs", because if you ever do, since you are not big guys but little guys, with a small economy, you will definitely not be in the big league. If you are little, maybe Canada, which is bigger than you, or the United States, which is bigger than you, will say, we do not trade with the little guys, we only trade with the big guys.

• (1315)

So then there would be no more trade with Canada, no more trade between Quebec and Canada, no more trade between Quebec and the United States—this means a million jobs. Obviously it is a million jobs, if nobody buys what we produce and we do not buy what others want to sell us. Obviously, in trade and in production, there are going to be losses, but that is the way it works.

How does it work internationally? It works the way it does in this bill. Countries, states, make treaties and agreements based on their interests. That is how it works. For sure, some people are touchy because of certain events, they are unhappy, they say that things are going to work differently, and we hope this is not the way it is going to be.

The Leader of the Official Opposition, Lucien Bouchard, will come and start negotiations. Maybe people will say they do not want to negotiate with us, they do not like us, we are demagogues, we are ethnic, we are out to do a number on ourselves and we are shrinking our economy. We will say to them: well, we had a vote, we want to reach an agreement with you, and we will reach it even if we do not reach it on the basis of the friendship that still developed over the years and centuries.

Quebec and Canada, and Quebec and the United States are not the same as Quebec and Latvia. With all due respect to Latvia, it is not the same. I see a member opposite listening intently and rolling his eyes skyward saying: "Oh, what clever remarks". The hon. member was born in Hull, and I congratulate him on it. There are members like us; the hon. member for Québec–Est was born in Penetanguishene, Ontario. There are still ties. Perhaps there are ties between my hon. colleague opposite and people in Quebec. Perhaps he has ties with people living in Latvia and Estonia.

But it is not on that basis that we want to negotiate. We do not want you to negotiate with us because you like us, because we were with you for 130 years. It is not on that basis that we want to negotiate. We want to negotiate on the same basis as that in Bill C–105, which is not contentious and poses no problems. This basis is the interests of nations negotiating as equals because they are sovereign. This is the way things are done at the international level.

We in Quebec think we can do as well as Latvia, as Estonia, as Trinidad and Tobago. Why? For two good reasons. The first reason is that, if you look at what is currently happening in the world, according to some theories, the most populous countries, the countries with the largest domestic markets, are those that do best.

Then look at the most populous countries in the world and see how they are doing. Let us look at the U.S., which has the highest GDP. I will not talk about the other countries for fear of being accused of discrimination: "You said that France was No. 4 or 5. You are discriminating against the U.S. You like France a little less than the U.S. What is the matter?" "Would a Bloc member say that he liked France less? He is more of a Franco–American; he is not a francophile". In a campaign like the one under way, one must be prudent.

However, if we look at the world's countries on the basis of their GDP per capita and their population, we see Switzerland, with 6 million people, in second place, the Grand Duchy of Luxembourg in third place, Denmark, Austria, Belgium, Sweden, Iceland, Norway, the Netherlands, Finland— Did I mention any poor countries? These countries are among the top 20, and the top 10 include four or five countries with populations of five, six or seven million. Population is no longer as important a factor as it used to be.

• (1320)

Empires expanded. The British Empire, that my hon. colleague opposite is so fond of, expanded to increase business opportunities for British merchants who wanted to gain access to the market in India, Africa and so on. In those days, this was important, but it is no longer the case today. The size of any given country is not relevant. I am not theorizing. This is a fact confirmed in the economic accounts of respected countries such as Switzerland, Luxembourg, Denmark, Austria, Belgium, Sweden, and Iceland, which are not as large as some others.

The Austrian population is certainly not as large as the Chinese population, yet Austria does very well for itself. Back in 1991, Austria ranked 10th in terms of per capita gross domestic product. That is not bad at all. This country, a former empire, has had its problems and suffered greatly during the second world war. Today, Austria is a player.

What I mean by that is that globalization is giving smaller countries the chance to enter the global markets. It is not up to their neighbours to decide whether or not they can enter these markets. There are international regulations for that as the OECD has regulations governing treaties between various countries or tax conventions. There are rules.

The size of the country is no longer the determining factor. The main thing is to gain access to international markets. Second, and this is a major factor, there must be a demand for what you produce, your products must be well made and you must have what the economists call a niche of your own, an area in which you excel. You need not be great at everything, just in certain areas and develop markets from there. That is why I think that, in terms of size, Quebec, as a country, would compare favourably with Austria, Denmark, Switzerland, Sweden and the like, and do quite well.

Quebec is not a poor nation. Some people seem to want to put up a fence around Quebec, including the Minister of Finance who says: "Listen, when that fence is up, you will lose one million jobs". I am sorry but there will be no such fence, because this is not the way things work. Why did the minister say one million jobs? One million, as in the word millionaire. The Minister of Finance knows about millionaires, but he would be better off talking about the billions of dollars worth of freight transported on his ships, or the millions in goods produced in his plants. It is inappropriate on the part of a finance minister to tell Quebecers that one million of them will become unemployed if sovereignty is achieved, and that a fence will be built around Quebec.

The issue of Quebec's population in relation to the prosperity which it can develop is not a factor here, because it is not for other countries either. As I said, Quebec is not without assets. Its GDP stands at 160 billion dollars. Quebec is a modern state with major institutions, including a deposit and investment fund, Hydro–Quebec and a pension board, and with large corporations which developed over the years, even though, at one point, some of these big entrepreneurs invested in Northern Ireland and in Belgium, and said: "In Quebec, we started off in a small village". I could mention the community of Valcourt, where a major Canadian and Quebec multinational is based. One would think that it is a Quebec company, but we were told: "It is not a Quebec corporation, it is a Canadian one. And if Quebec

becomes sovereign, do not expect us to stay here: we will move back to Canada".

Over the last 30 or 35 years, Quebec developed industrial structures and trade policies which will enable it to join the countries which I mentioned earlier. We rank 16th in terms of the GDP. This is quite something. Quebec is part of Canada. Our friends across the floor say: "Quebec is part of Canada. If you leave Canada, you will become poor, while Canada will keep on being rich".

• (1325)

That is all very fine, but the wealth of Quebec and the wealth of Canada are similar in terms of domestic product. Quebec sovereignty does not take our engineers from us. Quebec sovereignty does not take our capital from us. Quebec sovereignty does not take our administrators, our poets; it takes nothing from us.

Quebec sovereignty gives us additional powers in terms of laws, gives us additional powers in terms of treaties we can negotiate. Treaties like those Canada has with 55 countries, we will have too. We will have them because we have something to offer. There are people in those countries who may come to invest in Quebec and people in Quebec who may go and invest there. We will be able to have as many treaties as you have managed to have.

That is why it is most appropriate to bring up the case of Quebec in my intervention concerning Bill C–105, for it shows us that it is completely normal for the Government of Canada to have treaties with Latvia, with Estonia, with Trinidad and Tobago, with Hungary, as it will be completely normal for there to be one between Canada and Quebec, once its citizens have decided on sovereignty. And we will have such a treaty.

We keep hearing "But you are not telling Quebecers what you will do afterward. What will the partnership be like? We do not have much of an idea". Just do a bit of reading. I imagine that the hon. members have most definitely familiarized themselves with Quebec's bill on sovereignty, that they are also aware of the agreement signed this past June between Messrs. Bouchard, Parizeau and Dumont on the matter of the partnership treaty between Quebec and Canada.

And what will that partnership treaty cover? A customs union, free circulation of goods, free circulation of individuals, free circulation of services, free circulation of capital, monetary policy, manpower mobility, citizenship. It is a treaty between sovereign states. By the very fact that we shall be a sovereign state, we shall have the possibility of signing treaties. If Canada wants to sign treaties with Quebec in other areas, we are open to any and all discussion.

My point is that once we are sovereign, even if our economy is not as big as Canada's, we will be able to sign treaties just like Estonia, Hungary, Trinidad and Tobago and Latvia.

And they will be signed for the same reason they were signed with the countries I just referred to, because it is in our interest to do so. We claim, and I am sure that the people of Quebec will trust us to do the right thing, that this is in the interest of Quebec and of Canada.

Of course Canada will maintain up to the last minute that there will be no negotiations and no agreement ever. Our Canadian friends are so anxious to make this point that yesterday, when the Prime Minister of Canada was in Quebec, he said: "There will be nothing, because Canada will disappear if Quebec leaves. We do not know what will happen. There will be nothing left, because once Quebec has gone, there will be no more Canada". That is how we understood Mr. Chrétien's speech.

The Acting Speaker (Mr. Kilger): I realize one tends to forget this from time to time, but I may remind the House that members are to be referred to by their ridings or departments.

Mr. Caron: This was of course an oversight, Mr. Speaker. We always refer to him in conversation as Mr. Chrétien, but it is the hon. Prime Minister.

The hon. Prime Minister—Mr. Speaker, do you not think this is extraordinary? —the hon. Prime Minister of Canada said last night in a speech in Quebec, and I should have brought the quote with me, the hon. Prime Minister of Canada said there would be no more Canada if Quebec were to leave. This is really incredible.

If the province of Newfoundland ever decided to withdraw from Canada, would there still be a Canada? The people of Newfoundland—I have met a number of members from that province—are people of great warmth who was very attached to their province.

• (1330)

However, if Newfoundland were no longer a part of Canada, we can assume there would still be a Canada, as there was in 1948 and 1945, when Newfoundland was not part of Canada.

Similarly, if British Columbia withdrew from Canada, saying: "Listen, we are on the west coast, that is where the markets are", because it is always a matter of markets. Today, countries are markets, and their purpose is to engage in trade, not to protect the well–being of their citizens or ensure the continuity of nations. Let us suppose that the people of British Columbia decide that they face west, towards Japan, the Rockies are too big, there will probably be no more train service through the Rockies, with privatization and all that, the train costs too much. If they decide to become a sovereign country and then, to improve trading with Asia, they form a sort of North American Singapore, will Canada still exist?

I do not think the Prime Minister of Canada would go to Vancouver and say: "Do not leave Canada; if you leave Canada, the country will no longer exist." But this is what happened yesterday. The Prime Minister of Canada said that Canada would cease to exist if Quebec left. Is Canada only Ontario and Quebec? This is what we will end up thinking. It is as if this were 1840 and Canada were Lower and Upper Canada—joined later by other provinces and territories—but they remained the heart of the country. Ontario and Quebec form the heart of Canada, why, because they are the two biggest markets?

Certainly, with today's mentality, that is what those opposite will have us believe. Is it not, rather, that Canada at the outset was Ontario and Quebec, because Ontario was English Canadian and Quebec was French Canadian, and each country had minorities, official language minorities different from the majority. That was Canada.

Canada did what it could for minorities. Look at Quebec, there is a very strong English Canadian minority that has its universities, its school boards, its hospitals, its representatives in major institutions. I would like to be able to say the same of our Franco–Ontarian and Franco–Manitoban friends who had to fight for their schools, and who still have to fight for their schools, and for control over them. They are not fighting for control over universities, they are fighting for control over elementary schools and high schools, because that it where assimilation occurs.

We challenged, two days ago, statistics stating that there were a million francophones outside Quebec in Canada. We said that, out of the one million Canadians outside Quebec who claim French as their mother tongue, 650 speak French at home. We did not mean any disrespect to our Franco–Ontarian and Franco–Manitoban friends or our friends in the Yukon or the Northwest Territories. We just wanted to say how sad we were to see the French language die out outside Quebec. What we intend to achieve among other things through sovereignty, besides allowing Quebec to develop with its best interests in mind, is to ensure, through our own institutions, that French will still be spoken in America in a hundred years and that a French or Quebec culture will still be alive in Quebec at that time.

That is what we want to do. We want to live on without constantly having to protest, like our friends opposite do, just to survive. It is important to be able to survive. But we think that there are enough of us, and that we have enough education, enough capital, enough stamina, and enough willpower to do better than survive.

When I was in grade school, money was collected throughout the Quebec school system, a dime at a time, for the survival of the French language in Canada. Grade school children gave money for use in Manitoba and Ontario. This was fine. But look at where they now stand. It is sad in a sense to think that there are only 640 of them across Canada, including Acadians.

• (1335)

It is most unfortunate, but as a francophone and a Quebecer or a French Canadian living in Quebec who calls himself a Quebecer, I do not want anything to do with a system that will lead, fifty years from now, to a situation where we have a nice official languages act and many officially bilingual institutions, but where French will no longer be a living language in Quebec.

People can say we are spiteful, I say that we are just stating the facts. The fact is that Canada started off as a bicultural country, a bilingual country, where you had French and English Canadians. The very reason there is panic in some political back rooms is that, yes indeed, this is what Canada was initially.

The Prime Minister said so: "If Quebec goes, that is it for Canada". Look, this is a basic issue. What is Quebec? It is not an economy; it is a culture, and a language. With this culture and language gone, Canada as we know it will no longer exist. This means that we have reached the bottom line.

Canada is more than a checkerboard with ten squares representing each of the ten provinces and that we call Canada. Try as we may, and Reformers will insist that that is Canada and that each little square should be assigned the same number of senators and the same responsibilities, we have to admit that this view of Canada does not agree with reality.

Initially, the real Canada was made up of French Canadians and English Canadians. French Canadians did not benefit from this agreement. And French Canadians in Quebec who are now called Quebecers decided to withdraw from the agreement, to declare themselves sovereign, that is to say, in control of their laws, taxes and treaties, and then to propose a partnership treaty with English Canada.

English Canada likes us so much that it is threatening to cut us off. It is so pleasant to stay in a country like this one. They like us so much that instead of telling us, "Stay with us and everything will be fine", they say, "If you vote Yes, we will cut you off; if you vote No, nothing will happen and you will stay the way you are now".

It is over for French Canadians in Quebec who are now called Quebecers, and I hope that, on October 30, these Quebecers will be able to sign treaties such as this one, agreements with other countries, so that they can benefit from international trade and eventually have access to the economic instruments they need to remain what they are, a French speaking people with their own culture in North America. This is my dearest wish and I think that the people of Quebec will listen to our proposal and vote Yes on October 30.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I hope to stick to Bill C–105 and keep it kind of short.

Some hon. members: Hear, hear.

Mr. Silye: That is the second time in two years I have been applauded by members opposite; I appreciate it.

The purpose of Bill C–105 is to implement the tax conventions between Canada and the republics of Latvia, Estonia, Trinidad and Tobago and a protocol between Canada and the republic of Hungary for the avoidance of double taxation and the prevention of income tax evasion.

It is just like Bill S–9. We are here debating bills and for all intents and purposes they are already done deals. The agreements have already been signed by the bureaucrats and diplomats and now we have to give them a formal blessing. We have spent two days doing that. It is important to do it, so let us get on with the business of getting it done.

Tax treaties like this one along with their amending protocols have two main purposes: the elimination of double taxation on goods, services and people that flow back and forth across borders and the prevention of fiscal evasion by the same people. The treaties and protocols being signed are patterned on the model of the double taxation convention prepared by the OECD. That is supposed to be our guarantee that everything in here is wonderful, good for everybody, and we do not even have to look into the details. The Reform Party supports these and any initiatives that help eliminate barriers to the globalization of our economy.

• (1340)

However, in the debate on Bill C–105 I noticed when the parliamentary secretary to the finance minister made his presentation on the bill today that he said there was nothing contentious in the bill. That almost made me want to look into it and reread it, as if he were trying to hide some of the sneaky little deals found in Bill S–9 that the member for Gander—Grand Falls pointed out. That Liberal member pointed out how bad Bill S–9 was, that it was not really a Liberal bill, and that he was disappointed the Liberal Party could support it.

That brings me to another point on the Liberal government. It struck me interesting in reviewing and researching protocol bills and tax concession bills between countries how the Liberal government had flip–flopped on its anti–free trade policies of the past. It is actually approving bills that lower taxes. It is actually approving bills that eliminate the barriers to trade. It is actually doing something they were against when in opposition and we are for.

It makes me wonder whether the finance minister is in charge or the deputy minister is in charge who worked for the Conservative government? Which set of people, which grouping, the politicians or the bureaucrats, is in charge of the government?

In 1991 when the finance minister was in opposition he gave his opinion on trade conventions, treaties and tax concession conventions. What did he ask the government to do? What did he say to ensure the deals were in the best interests of all Canadians? To put it in context, when in opposition the finance minister in referring to the Conservative government said, as indicated in *Hansard*:

> In the free trade agreement this government, so desperate for a success even if it was only paper thin, and so afraid of failure, sat down cowardly with the Americans and gave up the ghost before negotiations started.

An hon. member: Shame.

Mr. Martin: It made every single concession. Every point it thought the Americans would raise at the table, it gave up before it got there, because this indeed is a craven government.

He was referring to Bill S–9, what we approved yesterday. He was criticizing the very bill that was passed in substantially the same form. He did not agree that the Conservative government was headed in the right direction.

That borders on the hypocritical. If a member who criticizes something vehemently and strongly in opposition has the chance to change it, to improve it, to fix it or to make it better when in power, he or she should do so. But the government goes along and in the course of the last two years has basically passed about 10 Conservative bills substantially in the form that were on the shelf gathering dust. Its members just took them off the shelf, blew off the dust, presented them in the House, put Liberal on them, and now they are being passed.

I am sure some members of the Liberal government are deeply hurt because their party said in the past that it would never cut the deficit on the backs of the sick or the poor and this is exactly what it is now doing.

The Liberals are cutting and transferring the debt from the federal government to the provincial governments. They are cutting health care and welfare services by $7 billion and are calling it the social transfer bill or whatever. This is what they said they would not do.

There have to be some Liberals over there who are hurting, who are bleeding internally, because they are losing their roots. They are losing what they are supposed to be doing in terms of protecting the people who elected them. They are not protecting them. They are going against their wishes. They are breaking a lot of the promises they made in the red book.

During the election they said on free trade that they did not like NAFTA and that they would renegotiate.

Mr. Mills (Broadview—Greenwood): This is not free trade.

Mr. Assadourian: Stick to the subject.

Mr. Silye: I am sticking to the subject a lot more than the previous speaker. I am straying a bit here when I am talking about an agreement with another country.

• (1345)

Once again, when they got elected did the Prime Minister renegotiate as he promised he would? He did not. He passed it in substantially the same form it was in when the Conservatives negotiated it. I find it ironic this government says one thing in opposition and does another thing when in power which means it is still the status quo. It means nothing has changed although we now have a Liberal government instead of a Conservative one.

While we support Bill C–105, there are still a few questions I would like to address. I would like to know why our diplomats abroad can initiate legislation that makes our taxes lower and our tax rules simpler when our politicians will not do the same.

The politicians approach the department heads and say: "We would like to make the Income Tax Act less confusing, less complicated and less convoluted. We would like to make it more simple. We understand it is fair but we would like to make it fair in a way that everybody understands it, and could we not lower spending a bit? Since they are making spending cuts they could pass the benefit to taxpayers". The bureaucrats say no because any time we give up a tax point or two we never get it back, so the answer is no and that is it. That is as far as the politicians go.

Except for the member for Broadview—Greenwood who since 1989 has consistently pushed for a simplification of the taxation system, nobody else over there has as openly, vocally and energetically pursued this topic. I would like to be another one of those people who pushes the government into doing it. To the politicians, do not let the bureaucrats say it will not work. To the finance minister, demand a review of the taxation system to see if it can be changed.

We all know high taxes are an impediment to growth in the economy. Why do we not remove the impediment? Why do we not lower taxes with some spending cuts that the Liberal government is now finally making? It is finally listening to us; it is finally doing something to the benefit of many Canadians. Combine that with a genuine review of the entire taxation system which will then help to create jobs.

The opportunities for gains in the economy by implementing tax reform are tremendous. By not doing it, by not exploring it, those doors remain closed and the opportunity to restore faith, hope and savings for taxpayers are eliminated. That debt will never, ever be addressed by adding to it. We have to get to a zero deficit, not a 3 per cent of GDP and dig the hole slower. They are still digging the hole and are just adding to the problem.

If we want to get rid of the problem, lower spending, raise taxes to a zero point and the deficit is gone, if that is what the Liberal government thinks is the problem. However, that is not the problem. The problem is the debt and our high levels of taxation.

Diplomats recognize globally that we must have equality, that we need to have the lowest rates of taxation possible to attract investment and capital while reciprocating with other countries by offering them the same deals in our country. They do that. Look through those agreements with the incentives and the opportunities between countries. It is great. It works well for exports and imports. What is saving our economy today? NAFTA. Trade with other nations.

We need to treat each of our provinces, including that wonderful province of Quebec which belongs in Canada and will stay in Canada, the same way we treat other nations. Let us make deals among ourselves, province to province, that eliminate the barriers to trade and introduce treaties. Let us have only one level of government looking after a service. Let us define specifically which level of government should look after which program. Let us get some savings and some gains into our system so we can lower spending thus lowering taxes, so we can remove the impediments to our sluggish economy.

I am trying to make an analogy between the good aspects of trade treaties we are making with other countries. Why do we not use those diplomats instead of the politicians sitting over there in the front row to make our negotiations with the deputy ministers in order to implement the kind of reforms we need in this country? These diplomats do a much better job than the elected politicians because the elected politicians are afraid to stand up to the bureaucracy. I encourage similar actions here at home in the form of tax reform as we find in deals like this.

• (1350)

I hope this is the last fluffy type bill we have before the House and that we can get on with more important bills. As far as I am concerned, Mr. Speaker, you could put the question, put the bill through committee of the whole and then we could debate the health act.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, it is a great pleasure for me to participate in the debate on Bill C–105, an act to implement a convention between Canada and the republic of Latvia, a

convention between Canada and the republic of Estonia, a convention between Canada and the republic of Trinidad and Tobago, and a protocol between Canada and the republic of Hungary, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

As the bill states, the purpose of this enactment is to implement income tax conventions that have been signed with Latvia, Estonia, Trinidad and Tobago, and a protocol to the income tax convention with Hungary. As the bill says, these treaties have been signed. The treaty with Latvia was signed in Ottawa on April 26, 1995. The agreement with Estonia was signed in Tallinn on June 2, 1995. The agreement with Trinidad and Tobago was signed in Toronto on September 11 of this year. The protocol with Hungary was signed back on May 3, 1994 in Budapest.

Tax treaties are designed to alleviate double taxation of income earned in one country by a person resident in another country. While the present position of Latvia, Estonia, Trinidad and Tobago, and Hungary limits the potential for additional investment by residents of these countries in Canada, the tax treaties in question will certainly be helpful to Canadian corporations and individuals with operations and investments in those countries.

As the parliamentary secretary has already alerted the House, these agreements contain provisions on withholding tax, on capital gains, on non–discrimination—discrimination is prohibited but only on the basis of the nationality of the taxpayers—pensions and annuities, and double taxation relief.

These are important agreements. They now must be approved by Parliament to make them official.

I have been in these countries, except for Trinidad and Tobago. I have visited Latvia, Estonia and Hungary. I was in these countries before they were sovereign countries, when they were forced to be under the Soviet Union. I have visited them after they obtained their independence. Canada was one of the first countries to recognize the independence of the three Baltic states and Hungary, et cetera.

I would like to differ with my colleague from Jonquière very strongly. He tries to compare Quebec to these countries. I hope he will read his history. Latvia and Estonia, which are mentioned in this bill, were sovereign countries at one time but they had their sovereignty taken away from them by the Molotov–Ribbentrop agreement. That was not the people's choice; it was forced on them. Now through democratic elections they are choosing their own governments. That is why these countries are now ready to do business with the western world and the entire globe.

I was in those two countries just last summer and in Hungary two years ago. All of those countries are open for business. So is Trinidad and Tobago, but I have never been there so I cannot speak for it, but the other three countries are open for business. They do not want handouts, although we have helped them a lot with our technical assistance program.

• (1355)

The technical co–operation program has been placed under CIDA. We have helped those countries in language training for example. Many people living in Estonia speak nothing but Russian. In order to obtain their citizenship they must learn Estonian. There is a big demand for learning Estonian very quickly. We are helping Estonians with the technology for teaching languages.

I wish the hon. member would read his history and not compare la belle province with sovereign countries like the three Baltic states, Hungary, et cetera.

I was very shocked to hear the hon. member say that Canadians want to see French disappear. Where has the hon. member been for the last 10 years? I was in education for 27 years. The big trend was to have children attend total immersion French programs. Children from British Columbia to Newfoundland are graduating having spoken the two official languages from as early as grade 3.

The hon. member was concerned that there is no preservation of the French language. The Constitution of Canada preserves the French language. If Quebec separates, that guarantee is gone. That is why Quebecers have to be shown very clearly what they are going to vote for on October 30. Do you want to separate from Canada, period? If you do, along with everything else Quebec may lose is the protection of the French language and French culture.

I am very emotional about that because my wife happens to come from Quebec. Most of her family lives in la belle province. I am so pleased when my nieces and nephews write to me. I have a card in my office which I invite the hon. member to come and see. It reads: "Mon oncle, je t'aime. My uncle, I love you". When my niece sees me she tells me the same thing: "Wujek, ja Cie kocham". She will also tell me: "Uncle, I love you". It is great that in a province, le beau Québec, Canadians can grow up with three languages. What more can we ask for? Not only protecting the French language, but also allow young Canadians to grow up in these other—

The Speaker: I hate to interrupt any member, but you will have the floor after question period. It being 2 p.m. we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*Translation*]

QUEBEC REFERENDUM

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, as a former special constitutional adviser to several Quebec premiers, I can understand the wish for a flexible federalism that would readily and efficectively meet the particular needs of every region of Canada.

My constituents in British Columbia make the same constitutional claims. Consequently, let us build together a new pluralistic and co–operative federalism for the 21st century. Vote no in the referendum.

* * *

[*English*]

JUSTICE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, on Thanksgiving Sunday in Coquitlam a grandfather, grandmother and their daughter were brutally murdered at the hands of the common law husband. This heinous crime once again illustrates the impotence of court orders in the justice system and the tragedy of marital and family breakdown.

Three white coffins stood in the very church that was the centre of this family's life and the tragic place of their death. I joined the community of Maillardville there last week and shared their pain.

It is for the sake of such communities that we in this place must find those measures that will strengthen and safeguard crucial family bonds in our society. We must work together to promote and implement measures in our justice and legal systems that make peace, not war, in the difficult separation of family structures. We must recognize that government policy does influence choice, attitude, and action, and seek out the root causes of the distemper of our times.

I take this opportunity to express my sincere condolences to the grieving family and to the community. My thoughts and my prayers are with them.

* * *

AIRPORTS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the federal Liberal government is proceeding with the former Conservative government's plan to privatize the operations of local airports.

This week the president of the Saskatchewan Aviation Council reminded us of the continued importance of these airports and said that the key to the financial survival of small airports in these new circumstances is the ability to attract business to the affected communities. He accurately points out that there is little communities can do about the costs of running the airports, so they must find ways to raise new operating money. That generally means that the airports need to bring in more users.

The irony of the situation is that if new money cannot be found the increased costs of operating the airports will have to be passed on to the current airport users, resulting in less, not more, use of the airports.

With this in mind, I urge the government to provide the resources and support systems necessary to ensure that municipal governments can successfully make it through this critical transition period.

* * *

CANADIAN UNITY

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, Canadians have always formed a united front to face common challenges. Once more we are challenged to work together to confront the issues of our time: jobs, economic growth, safety, good government and unity. Together we shall prevail.

Together we tilled the countryside and built cities, went to war to win peace and kept peace to prevent war. We made breakthroughs in science and pioneered technologies for all citizens. We created medicare so that all Canadians, rich or poor, have equal access to top notch health care.

I know that Quebecers and their fellow Canadians take pride in the work we have done together to make Canada what it is today: the number one nation in the world in which to live. May this pride bring victory on October 30 to a Canada united in purpose and committed to a renewed federalism that ensures we reach our full potential in the 21st century.

Long live Canada!

* * *

CANADIAN UNITY

Mr. Gary Pillitteri (Niagara Falls, Lib.): Mr. Speaker, in recent weeks many concerned Canadians in my riding of Niagara Falls and Niagara–on–the–Lake have been talking about the forthcoming referendum in Quebec and what it may mean for the future of our nation. Emotions are high and opinions have ranged from indignation to disbelief and even ambivalence. Many letters written from the heart call for Quebec to remain in Canada as a fundamental part of the Canadian family.

Yesterday a group of students from Niagara College wrote to the citizens of Quebec expressing their deeply held belief that it is the uniqueness of the people of Quebec that has helped Canada to become the greatest country in the world.

Let our greatness continue and our family remain united in harmony to work towards a better future for everyone.

Vive le Canada uni!

* * *

CANADIAN UNITY

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, on Thanksgiving weekend Waterloo, Ontario, hosted a Waterloo, Quebec, delegation during Oktoberfest. On Sunday evening, October 8, the two mayors signed a declaration officially twinning the two Waterloos.

Mayor Bernard Provencher told the delegates of the two Waterloos:

> We are now living in the most critical period in the history of our country, with a possibility of a break up. It is quite ironic that it is in the midst of this crisis we are gathered here tonight to tell each other that if we could find a magical way of bringing all English–speaking Canadians through the Quebec province and do it in reverse the other way then we would not have to vote for what we already own on the 30th. Long live the twinning of our two cities, may they both remain forever in a united Canada.

The mayors of the two Waterloos, Bernard Provencher and Brian Turnbull, are in the House today. Their actions have helped to develop better understanding, mutual respect, and friendship among Canadians.

Vive les deux Waterloos! Vive le Canada uni!

* * *

• (1405)

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, the comments made yesterday by the Prime Minister in his speech before the greater Quebec City Chamber of Commerce are unequivocal and they clear up any misunderstanding. The federal system will not be changed in light of Quebec's legitimate aspirations.

The Prime Minister just abandoned all Quebec federalists who still believed that it would be possible to reform federalism and guarantee the respect and development of Quebec's distinctiveness. Indeed, the Prime Minister just slammed the door on those who still thought that federalism would take into account Quebec's distinct and specific character.

It is now clear that the Prime Minister has nothing to offer to Quebecers. The side which is promoting change is the only one providing a vision that will allow Quebec to develop to its full potential. Vote yes, it is the only logical choice.

[*English*]

MISSING CHILDREN

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, last May I wrote to fellow members of the House to encourage them to include a picture of missing children in their householders. The idea was to make these pictures of missing children more visible to many more people, thereby increasing the probability of their being found.

I am pleased to inform the House that this project has already been successful. I was recently informed by Child Find Canada's office in Edmonton that a missing teenager was safely located as a direct result of tips arising from the people who had seen her picture in a fellow member's householder.

Hats off to every member who is participating in Child Find and other missing children's organizations. I encourage every member to participate, because this program works.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, yesterday, the separatist dream merchants received a cold shower from the United States. The U.S. Secretary of State, Warren Christopher, dispelled the separatist dream concerning the special relationship that an independent Quebec would continue to have with the United States.

Mr. Christopher said: "The fact that Canada is a united nation is an important aspect which explains our ability to get along with that country, to do business with it, and to have a successful relation".

Separatist leaders can continue to generate confusion and sell dreams wherever they go, but they will never succeed in fooling Quebecers. On October 30, Quebecers will say no to a project which would only isolate Quebec.

* * *

REFERENDUM CAMPAIGN

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, in a meeting with the editorial team of *La Presse*, the leader of the Bloc Quebecois described the sovereignty of Quebec as "inevitable" and "a required step".

This statement by the separatist leader confirms what we have long been saying: a yes in the referendum will guarantee only one thing, that Quebec will become a separate country.

The Bloc leader was not in a position to describe the partnership in such categorical terms, since he knows very well that the separatist blueprint is not realistic and he will find no one to negotiate with.

Quebecers do not wish to see Quebec separate from Canada, they do not wish to see Canada broken apart, and that is why they will vote no on October 30.

* * *

REFERENDUM CAMPAIGN

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, all Quebecers are becoming increasingly aware that the separatist leaders refuse to talk about the costs of separation. The separatist leaders are attempting to cloak their plans for separation in suppositions, hoping that they can thus slip them by Quebecers.

The leader of the Bloc has even gone so far in that arrogant attitude as to state in an interview with *La Presse* yesterday: "I did not say that there were no risks, I said that there were no costs".

Members of the yes team have even refused to acknowledge the costs associated with separation. They have even refused to talk about them throughout the entire campaign.

On October 30, the people of Quebec will show them that they have not been taken in by this deception, when they vote no to separation.

* * *

REFERENDUM CAMPAIGN

Mr. René Laurin (Joliette, BQ): Mr. Speaker, yesterday the Minister of Intergovernmental Affairs said that Canadians in the rest of Canada had paid for 80 per cent of federal assets in Quebec. The minister finds it exceedingly complicated for Quebec to retain ownership of federal assets located on Quebec territory after sovereignty.

• (1410)

Naturally the minister neglected to add that, in fact, Quebec has paid for 23 per cent of federal assets located elsewhere in Canada or abroad. And custom and international law stipulate that federal assets located within Quebec will become the property of Quebecers *ipso facto*. Canada loses nothing in the transaction, as only 17.5 per cent of all federal assets are located in Quebec.

Obviously, Quebec will want to deduct this shortfall from the portion of the federal debt it will assume the day after a yes vote. Once again, the minister has attempted to bend the truth about what would happen in a sovereign Quebec the day after October 30.

* * *

[*English*]

JUSTICE SYSTEM

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, Canadians are telling us in no uncertain terms that they want something done about our justice system.

The justice minister talks a good game and keeps throwing out feeble changes to the laws of the land, but where is the enforcement? Strangers move in and occupy land they do not own and nobody touches them. Bikers blow up property, each other, and innocent citizens. Policemen work hard to bring criminals to justice, only to see those same criminals walk out of court with a slap on their wrists and a smirk on their faces.

Law–abiding citizens are fed up. Hundreds will rally tonight with the Reform Party leader at the Civic Auditorium in Oshawa. Reform has a strong, common sense plan to deal with this situation and make public safety the number one priority of our justice system.

The justice minister can either get the message now or voters will talk to him at the ballot box.

I urge the government to listen to what Canadians will be saying tonight in Oshawa.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, since the beginning of the referendum campaign, Canadian citizenship and the Canadian passport are issues that have been raised repeatedly by the yes side. And almost every time, the separatists try to make us believe that all Quebecers who so wished would be able to keep their Canadian citizenship and their Canadian passport after Quebec's separation.

However, when the PQ's chief negotiator realized that his arguments were no longer convincing anyone, he started to back down, and now he says he will not negotiate the issue of citizenship for Quebecers. Furthermore, the leader of the Bloc is starting to praise the advantages of a Quebec passport. The only passport the separatist leader can guarantee is a passport to the unknown, a one way ticket to separation. On October 30, Quebecers will again confirm their ties with Canada and say no.

* * *

REFERENDUM CAMPAIGN

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, yesterday the Prime Minister of Canada was in Quebec, in his own province, to deliver a very important

message to Quebecers. The Prime Minister is intent on refuting the myth dreamt up by the separatists that the rest of Canada would form a monolithic block. Not so.

No one can predict how the other Canadian provinces will react the day after a vote in favour of Quebec separation, let alone claim that they will form a single block and ask the federal government to negotiate with a separated Quebec. The Prime Minister has clearly shown that the partnership plan of the separatists is just a scam to camouflage their plans for separation. The people of Quebec know that, and on October 30, they will vote no.

* * *

REFERENDUM CAMPAIGN

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, did anyone forget to tell Daniel Johnson about the political events of the past 15 years? Daniel Johnson says in the brochure of the director general of elections in Quebec that governments should continue to reduce duplication, but does he remember his own inability to negotiate a withdrawal by the federal government from manpower training as demanded by everyone in Quebec?

Daniel Johnson says that he believes no constitutional change should take place without Quebec's consent, but does he remember that he has with him on the no side the man who orchestrated the strong arm strategy of 1982? Mr. Johnson has a very poor memory indeed. Fortunately, Quebecers do remember and will vote yes on October 30.

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in what should have been his most important speech in the referendum campaign, yesterday the Prime Minister simply gave Quebecers a warning by refusing to promise any sort of constitutional change to the present federal system. Once again, the Prime Minister has been the passionate defender of the status quo.

Are we to understand from the Prime Minister that he is asking Quebecers to vote no while refusing to commit to any constitutional change, even though his Quebec allies on the no side are rejecting the status quo?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said very clearly yesterday to the people of Quebec that the referendum vote is a very serious one and what the Bloc Quebecois and the Parti Quebecois are proposing is separation, pure and simple. The leader of the Bloc Quebecois said clearly yesterday that he had no interest in any sort of union with Canada, that he only wanted sovereignty. Perhaps he is in fact no longer the chief negotiator, but he certainly is the chief separator.

I have always said that Canada is evolving all the time and that there will certainly be changes—we make them everyday. But what do they want, the people of Quebec and, like them, all the people in Canada? They want an end to talk of constitutional problems. They want us to work together with the governments of Quebec and the other provinces, with business people and with all of society to create jobs and to give workers back their dignity in Quebec and elsewhere. This is why, after the voting on the referendum in ten or twelve days, we can get down to the real problems.

As far as constitutional changes are concerned, the debate today is not about that. We are answering the ambiguous question posed by the PQ and the separatists. The question is separation. If Quebecers understand well, they will understand that the issue is separation and Quebecers do not want to separate from Canada.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is always a surprise to hear the Prime Minister say in all seriousness that he wants to solve Canada's real problems when, during the past four weeks we have been sitting, the government has not tabled a single major piece of legislation on real issues. There are limits. We know he is keeping things until after the referendum.

The director general of election is distributing a brochure in Quebec, under the Referendum Act, which sets out the yes and the no positions. I would ask the Prime Minister whether the no side position in the brochure distributed by the director general of election accurately reflects his government's constitutional position?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have always said that, as the federal government, we wanted to make the Canadian federation work well, and it is vital administrative arrangements be found to achieve the goals we are seeking. The brochure states clearly that we are prepared to clarify existing duplications. In fact, we have signed nine agreements with the nine other provincial governments to end much of the duplication. The only government refusing to sign an agreement to discuss the elimination of duplication is the Government of Quebec. It refused, because it had no interest in making the federation work. It wants to make use of everything to delude Quebecers into thinking they will remain in Canada when it wants to get them out of Canada.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I would have appreciated an answer to my question, but, you will permit me to remind the Prime Minister that it was Daniel Johnson and the Minister of Labour, who at the time was a minister in the Johnson government, who refused to sign the cut–rate agreement he was proposing. He has a short memory. He has a very

short memory, Mr. Speaker. Since I did not get any answer from the Prime Minister, I will try for a more specific one.

• (1420)

In the document tabled, we read that "the Government of Quebec must—be a willing party to any change in its relationship with the federal government. This is the spirit of the federalism we believe in". This is the no position.

Does the Prime Minister agree with this statement of the no side's position, a statement which calls for a veto for Quebec? Does he agree?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, my party supported a veto for Quebec. When René Lévesque was Premier of Quebec and he met with the seven other premiers, he was the one who opted for an amending formula that gave all the provinces equal status. He rejected the Victoria formula, which provided for a veto and which was proposed by this government to combine with the others and create equality among the provinces.

It was at this point that the veto we were proposing for Quebec was dropped by the PQ, which the member belonged to at the time. Instead of criticizing us for the situation, he should do a *mea culpa*. For strictly partisan and short term reasons, Mr. Lévesque dropped the veto for Quebec.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, René Lévesque made a single mistake: going to Ottawa without a mandate and trusting the premiers of the other provinces and the current Prime Minister, all of whom betrayed him. Never again will we make the same mistake.

In a brochure sent to all Quebecers by the director general of elections in Quebec, the no committee clearly demands a right of veto for Quebec, and since members asked the question, I will quote from the brochure once again to give them another chance of hearing it: "The government of Quebec must be a willing party to any change in its relationship with the federal government". This is what the no side and the Prime Minister are currently selling Quebecers.

As an eminent member of the no committee, can the Prime Minister tell us if he was consulted on the demand for a right of veto as expressed, printed and conveyed by the no side? Is this what he is saying or is he telling us stories once again?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the constitutional position of the Liberal Party of Quebec is well–known. It was developed by the Liberal Party of Quebec. For us, the question at this time is about the right of veto. We offered Quebec a right of veto before, but René Lévesque turned it down in favour of another amending formula.

When Mr. Johnson forms the new government after the next election, he will be able to make the same demand if he wants to and it will be submitted to the provinces. If the provinces agree, the amending formula will be changed.

As for myself, if I was in favour of this amending formula in 1970, I will have no difficulty in approving it again. The Parti Quebecois, however, has created a situation that will make it very difficult to find a solution because they were the ones who rejected the right of veto. It was rejected not by us but by them so they could join forces with the other provinces in opposing the proposals made by the government of which I was then a member. I have nothing to learn from them.
If a mistake was made, it is the Parti Quebecois that must pay the price. They were the ones who rejected Quebec's right of veto.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, I say again to the Prime Minister that Lévesque's mistake was to trust the premiers of the other provinces, who betrayed him with the assistance of the current Prime Minister, an expert manipulator. We know that he has nothing to learn in the area of manipulation. He is Canada's number one manipulator.

I ask the Prime Minister to give us a straightforward answer. There is a clear statement from the no committee, of which he is a member. Until he tells us that he is no longer on the committee, he is still on it. His Minister of Intergovernmental Affairs and his Minister of Labour, who is responsible for the referendum, are also on this committee. Do they agree with what is in this brochure? This is a simple question. It is not hard to answer. Could he make an effort, Mr. Speaker?

• (1425)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the truth hurts when we tell them that they were the ones who rejected Quebec's right of veto. They have no right to blame us at this time.

The truth is that they want to talk about something else. They do not want to talk about their plans. For five weeks and even five months they have tried telling Quebecers: "We do not want to separate, we want a partnership". They are now changing their tune at the last minute.

Their document clearly states that they want to keep their Canadian citizenship and passports. And then yesterday, with a wave of their magic wand, the Canadian passport became something else for Quebecers. They have changed their tune. We, however, are not changing our position. We want Quebec to stay in Canada and we are not flip–flopping as the Bloc members are doing because the PQ is suddenly changing its tune while still trying to hide the truth from Quebecers. These separatists do not have the courage to frankly tell Quebecers that they are indeed separatists.

[*English*]

BOSNIA

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, yesterday in Washington the foreign affairs minister announced we will be sending troops to Bosnia as part of the new NATO combat force. Prior to the announcement there was no consultation with Parliament or with Canadians.

It is outrageous. It is just like the Mulroney Tories, whom the Liberals often condemn.

In opposition the now Minister of Human Resources Development said about the deployment of troops to the Persian Gulf: "To deny the opportunity of this Parliament to be heard or to represent the Canadian people is a dereliction of duty by the government".

I ask the Prime Minister, why has the government abandoned its principles and adopted the same style of government as the hated Mulroney?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the member should know that as of this moment we have had three debates. The minister said "if necessary".

The Americans, our partners in the Bosnian situation, are trying to achieve peace. If peace is achieved they would like it to be maintained. The Americans, who have not yet put one soldier there, are apparently willing to send in up to 25,000 soldiers. They have asked us if we would participate. The minister said we would look into it and if it is absolutely necessary troops would be sent. However, before we make a decision we will come to cabinet and the House of Commons.

The member should congratulate the ministers and all those involved for the peace we are about to have in Bosnia. One of the reasons we will have peace in Bosnia is because of our Canadian soldiers and others who have been there for the last three years developing a situation that is leading to that peace today.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, if we are going to have peace in the former Yugoslavia, which we all hope for, we certainly would not be sending troops that are the biggest and baddest junkyard dogs to take care of themselves over there; we would be sending peacekeepers. That is what was promised in this House.

This is a totally new role. The Canadian people demand to know how many troops we are sending. What is the duration of their stay there? What will be the cost? What will be the exact mandate of these troops?

Will the Prime Minister agree that Parliament must be allowed to establish the criteria for a dangerous mission like this?

Right Hon. Jean Chrétien (Prime Minister, Lib.): I do not know if you remember, Mr. Speaker, but I remember that they voted twice in the House for having troops there. They got up from their seats and approved the actions of the government.

Some hon. members: No.

Mr. Chrétien (Saint–Maurice): Fine, no. I am sorry, they just made speeches in favour of that but they did not vote. When I say something, I also vote that way.

• (1430)

It is a very useful situation at the moment. We said that everybody wants to be involved and there will be even more troops if a peace treaty is ratified to make sure the situation evolves peacefully in Bosnia. We all want that to happen.

If Canadian soldiers are needed, Mr. Christopher was informed by the Minister of Foreign Affairs that we will look into the possibility. However, before we make a decision we will consult the cabinet and the House of Commons where you can express your views. Again I can expect that what you say is not necessarily what you will vote for.

The Speaker: I ask my colleagues to please address the Chair.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, we should remember we are not voting during these discussions and that the decision has been made before the discussions.

The defence minister said yesterday the force we are sending to Bosnia will not have a peacekeeping role. That means the government is sending Canadian troops into a combat role without consulting Parliament, which is outrageous.

With the lives of young Canadians at stake will the Prime Minister at the very minimum allow Parliament to have a free vote on whether our men and women should be sent into a combat role in Bosnia?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I do not know where the hon. member took this quotation from but I assure him what we are expecting is peace at last in the former Yugoslavia.

We are not getting ready to send combat troops. We feel it is the profound sentiment of Canadians all across the country to support UN peacekeeping missions. We have in the past and we will in the future because that is where Canadians have been singled out as among the best, a duty Canadian troops expect to continue in the future.

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[*Translation*]

REFERENDUM CAMPAIGN

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Prime Minister.

Speaking before the greater Quebec City Chamber of Commerce yesterday, the Prime Minister stated that Quebec constitutes a distinct society because it has its own language, culture and institutions, but refused to give this fact formal recognition in the Canadian Constitution.

If he is serious in making his own the notion of distinct society as defined in the Meech Lake accord, can the Prime Minister tell us why he has so far refused to make a commitment to amend the constitution to include this definition of distinct society?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it takes some nerve on the part of an hon. member who voted against a distinct society in the Quebec referendum on the Charlottetown accord to rise in this House and ask me if I support the notion of distinct society.

I have always said, and we voted accordingly, that these matters were discussed in the collective document issued by the no side. But the Bloc Quebecois and its members across the way all voted against the distinct society clause when it was introduced. It was included in the Charlottetown accord, yet they all voted against it. It takes some nerve to come and blame us for that today. In rejecting it, for all kinds of reasons, they actually sided with the Reform Party against the Charlottetown accord. We, on the other hand, voted for and believe in it.

As for the constitution, it will be amended if and when discussions are held on the matter. The existing amending formula, as proposed by Mr. Lévesque, requires the consent of at least seven provinces. The federal government really cannot speak for the provinces because, as Mr. Lévesque put it at the time, all the provinces are equal and must take part in the constitutional amendment process.

Mrs. Pierrette Venne (Saint-Hubert, BQ): Mr. Speaker, we support the concept of distinct society when it really means something.

Must we gather from the Prime Minister's refusal to make a commitment to recognize Quebec as a distinct society in the constitution that he not only does not believe in it himself but that he is also unable to get a sufficient number of provinces to agree on this issue?

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is beyond me how the hon. member, who voted against the distinct society clause, can ask me to make all kinds of promises in this respect. She was against this concept and voted accordingly. Now she claims that it was not really the concept of distinct society, that it was not the right term. The question that was just put to me was: Do you support the concept of distinct society? My answer is yes and I might add that the hon. member voted against the distinct society clause.

[*English*]

BOSNIA

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question is for the Minister of National Defence. I hope he knows his cabinet colleague announced the government's intention to send our troops back to Bosnia without consultation despite a number of serious shortcomings in the Canadian Armed Forces, including inadequate equipment, low morale and the current troop rotation. Some of our troops have been there for the third time.

How can the minister even consider sending our troops back to Bosnia without addressing these concerns?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am not really sure what the hon. member's question is pertaining to.

I am perplexed by his question. As a previous member of the Canadian forces he knows the resiliency of the Canadian forces and their capacity to do what is asked of them despite adverse conditions and despite tasking.

I do not think anybody would disagree that our troops have had more than their fair share of work. The Prime Minister has indicated the work they have done has saved millions of lives and we should be very proud of that.

The hon. member is suggesting the Canadian forces do not have the capacity to participate in whatever decision is being made. Inasmuch as that decision is being made, I would prefer not to comment on it right now.

However, I assure him that if the government decides to participate in the NATO peace implementation plan, in the reconstruction of Bosnia or in the help for refugees it will be able to do what it plans to because the Canadian forces will have the capacity.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, evidence is increasing that our troops in Somalia were let down by their leadership.

Canadians have confidence in our troops in the field but they have serious reservations about the senior chain of command. It is the privates and the corporals who must bear the burden of this lack of leadership.

Canadians are asking is it wise for the government to volunteer our troops before the Somalia commission has reached its final conclusion?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Prime Minister has already indicated that before decisions are made, whether there is a vote or not, we will have a discussion in the House.

I repeat, the Canadian forces will be capable of doing what the government asks them to do. If the member is suggesting morale

is not good in the Canadian forces, he is not doing anything to help the morale by suggesting that Canadian forces are not capable of doing what their government asks of them.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Prime Minister.

In the brochure distributed to every Quebec household by the director general of elections, the no committee says that the Quebec government must have full power in the fields which fall under its jurisdiction.

Will the Prime Minister admit that, far from putting an end to the federal spending power in fields of provincial jurisdiction, Bill C–96, which deals with manpower training and education, is an even greater interference in these sectors?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as everyone knows, I want to make sure that the Canadian constitution is complied with. Sometimes, there are sectors in which our respective jurisdictions have a bearing on one another. The spending power has been in our constitution since 1867 and, at this point in time, we cannot really abuse it, since we have little money.

• (1440)

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, how does the Prime Minister intend to convince Quebecers of the virtues of administrative arrangements when even his federalist ally, Daniel Johnson, and his labour minister have rejected the administrative agreement on labour, calling it a cheap arrangement?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member has it wrong. It was the present minister of employment, Madam Harel. When I wrote to the ministry offering specifically to transfer institutional training to the province of Quebec, as with other provinces, we received absolutely no response. It would be very useful for the hon. member to check her facts.

* * *

THE ENVIRONMENT

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, a landmark agreement on harmonizing environmental issues is floundering.

The minister has blamed the provinces, especially Alberta. According to a recent CCME publication, she knows the federal government walked out, not the provinces, contrary to what she said.

Will the minister now admit she stalled this process and apologize to the provinces?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the difference between the member for Beaver River and me is I was at the meeting.

I did not pinch a transcript and then claim it was something else. In front of at least 10 witnesses I offered to publish 10 of the 11 indexes to the public the day after that meeting. The offer was turned down by Mr. Ty Lund.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, regardless of who did what, we need to get on with this.

This needs to move forward, not backward. Let us not cast aspersions and blame. Let us move forward. This process is being totally held up. On August 25 all the premiers with the exception of the Quebec premier urged the Prime Minister to tell the Minister of the Environment to meet with her counterparts and get on with this draft agreement.

Next Monday the minister will meet with these counterparts again in Whitehorse. Will she stay at the meeting and will she commit to producing a draft agreement and get on with it?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I am perfectly prepared to restate the commitment I made in Haines Junction. I hope the minister of the environment for Alberta will be open enough to begin the public discussion. The federal government asked very early in this process for public participation. That was turned down by the province of Alberta.

It is also interesting that the member for Beaver River said all the provinces with the exception of Quebec. She will know very well there was a formal letter written by the province of Quebec asking the CCME not to take action on that initiative at that meeting, a letter which conveniently her minister, Mr. Lund, chooses to ignore.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, in the same document distributed by the director general of elections, the no side says that we must continue to reduce duplication.

Does the Prime Minister recognize that his government's decision to establish the human resources investment fund

totally contradicts that statement by the no side, since, with this fund, Ottawa will interfere even more in the manpower sector?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we continue to see the facts being turned on their head.

The hon. member knows, as I have already stated in the House, that several months ago I wrote to a minister of the Government of Quebec, Madam Harel, suggesting we get together to study the issue of overlap and duplication so that we could clarify roles and responsibilities. Again, no response, rien à faire. I guess Madam Harel started "poofing" before the Leader of the Opposition did.

[*Translation*]

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, in my opinion, the best way to avoid distortions is to give back to Quebec full authority over manpower training, along with the related funding, and thus create a single–window service.

Will the Prime Minister recognize that his government's measure, namely Bill C–96, contradicts the position held by the no committee in the brochure distributed by the director general of elections, since Ottawa is increasing duplication in the manpower sector by eliminating the UI fund?

• (1445)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is clear that the members of the opposition are now recycling their questions from last week.

I will simply give them the answer we gave last week, which is no, Bill C–96 simply consolidates the authorities that were under the existing acts of the four departments that were brought in as part of the human resource development ministry. That is all that took place, nothing more than that. We were simply doing what was done before but consolidating into the new ministry.

Seeing as the hon. member raises this wonderful publication, I am very glad to see that the members of the Bloc Quebecois have it in their possession. Maybe they will read it and find out what a co–operative federation strategy really looks like.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, just like larger corporations, now a majority of small and medium size businesses in Quebec are making a stand against the separation of Quebec. Can the industry minister explain to this House the main economic reasons why those who really create jobs in Quebec want to stay within a united Canada?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is not at all surprising that small and medium size businesses are against the separation of Quebec.

Some hon. members: Oh, Oh.

Mr. Manley: They do not want to say so, but it is true. An uncertain climate creates problems for businesses and in this case the uncertainty stems from the fact that separatists cannot answer questions on the interprovincial trade agreement and on NAFTA, they cannot give answers to the thousands of Quebecers who depend on foreign trade.

They also understand this when business people go outside Canada. I saw this when I was in Geneva two weeks ago: there were several small and medium size telecommunication businesses from Quebec there. All those people were proud to be Canadians. They all support the maple leaf. They understand that it is a very valuable trademark on world markets. That is what they understand.

* * *

[*English*]

UNEMPLOYMENT

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, it appears that the same social policy wizards who brought us training programs for jobs that do not exist and who totally mismanaged the TAGS program have now undertaken a $44,000 airlift of Cape Bretoners to a big Ontario city to try to find work.

I ask the Minister of Human Resources Development if mass evacuation is his solution to the problems facing Atlantic Canadians.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member should know her history well, coming from the distinguished province of Alberta. Much of the investment and building of that province took place because workers came from all parts of Canada to help build the oil fields in those areas.

It seems to me that one of the great strengths of this country, one of the great strengths of our federation, is that we have no fences or walls between provinces and that people can move freely between these provinces so they can go to work. The most important thing is to find good ways to get people back to work.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I remind the minister that Ontarians have their own unemployment problems.

This is just an admission that the programs the Liberals have been spending millions on do not work. Now all they can do is say to Atlantic Canadians: "We've cut your benefits and your programs, give up and move to Ontario".

Is the government now asking taxpayers to buy airline tickets for every unemployed Atlantic Canadian?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, oftentimes the problem with the questions we receive from members of the Reform Party is they are based purely on a meanspirited exaggeration.

We provide a wide variety of opportunities for Canadians by offering training to get jobs, by working with local business to get jobs, and oftentimes by moving to other parts of Canada to get jobs.

I was in Fort McMurray and saw some great work being done by residents of Manitoba, of Newfoundland, of British Columbia in helping to build the oilsands project in that area.

• (1450)

I find it really incredible that the Reform Party, which says it is trying to solve the problem of unemployment, would deny the opportunity for people to be able to get jobs throughout the country. That is what Canada is all about.

* * *

[*Translation*]

REFERENDUM CAMPAIGN

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, the Prime Minister will not make a commitment to recognize Quebec as a distinct society as defined in the Meech Lake accord, to give it veto rights or to remove federal spending powers from jurisdictions exclusive to Quebec, and he even refuses to reduce duplication. His position is a direct contradiction of the position defended by the no committee in the brochure distributed to Quebec households by the director general of election.

How can the Prime Minister allow the no committee to circulate a brochure describing a position taken by the no side that directly contradicts the position taken by the Prime Minister, the real leader of the no side?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are on the no side, and we have a very clear policy on what has to be done now, and it is to vote in the referendum and stop the political and economic uncertainty hovering over Quebec and Canada because of the determination of members opposite to separate Quebec from Canada. They do not even have the courage to say they are separatists. In this brochure, the no side has presented a text that reflects the consensus reached by all members of the no committee. Spending powers and so forth are all proposals that were accepted and which the members of the Bloc Quebecois turned down. They voted against the Charlottetown accord which included all that. We supported the Charlottetown accord, and this particular text reflects the Charlottetown accord. You were against it. You might as well stop talking because you keep contradicting yourselves.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, the Prime Minister obviously refuses to correct the information contained in the brochure of the director general of election to make it conform to his position.

Are we to understand the Prime Minister feels very comfortable with the illusory position taken by the no side, since it gives him another chance to cheat Quebecers, as he did in 1980?

The Speaker: My dear colleagues, we are starting to use language that is pretty strong, even for the House of Commons. I would ask all members to please tone down their comments. Be very careful with your choice of words.

I will let the Prime Minister answer the question, if he is willing.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am not very impressed by the hon. member's exaggerations, because at a time when we are facing a very serious situation in Quebec, members of the Bloc Quebecois and the Parti Quebecois refuse to tell Quebecers that they want to separate. In the public opinion polls, 30 or 40 per cent of the people who say they will vote yes believe they will keep their Canadian passports and Canadian citizenship and are convinced they will stay in Canada and that there will still be federal members in Canada. They are not telling them otherwise. They will tell them after the referendum instead of telling them the truth before.

That is why in my speech yesterday I told Quebecers that reality is not a magic wand that will deal with the problems, not a leader who appears and disappears, like the one we have now. He was supposed to come to the House to crush us, and now he has disappeared. Poof, we do not see him any more.

The important thing is to realize that when Quebecers have to pay their bills at the end of the month, they do not need a magic wand but jobs and prosperity. Everyone in Quebec knows perfectly well that the Canadian alternative is the only one that will provide prosperity, security and progress for Quebecers.

[*English*]

IMMIGRATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, this morning the Supreme Court of Canada ruled that Kwong Hung Chan's fear of forced sterilization in his native China was not sufficient grounds for a refugee claim in Canada.

• (1455)

In light of the supreme court's decision, does the Minister of Citizenship and Immigration consider this decision to be a general precedent, that China's one–child policy is not a basis for refugee claim in Canada?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I thank the member for the question. I too was informed that the decision of the supreme court was handed down.

If we want to do the issue justice, because it was a very important issue and the court deliberated for an extended period of time, I think we should do it the proper way and at least look at the decision, read the judgment, and then craft policy accordingly, before making speculative statements before one has had a chance to not only read the decision but also evaluate it and analyse it in the greater context.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I am a little concerned that the minister does not take the decision of the Supreme Court of Canada with the seriousness with which it deliberated over it.

I would like to ask the minister if it is his intention to proceed with the deportation process against Mr. Chan and other refugee claimants who are using the one–child policy in China as their claim of refugee status in Canada.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I take any decision of any court very seriously. That is why I have tried to tell the hon. member that I think we should be cautious before speculating before a minister of the crown has had a chance to read the decision in its entirety.

With respect to the individual claim, if the individual's appeal has been turned down and the individual has gone through the complete system and there is no H and C claim, of course that individual will be subject to removal. As she knows, refugee determination is done on an individual case basis.

[*Translation*]

FOREIGN AFFAIRS

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, my question is directed to the Minister of Foreign Affairs.

The American Secretary of State has made a statement on the significance the U.S. attaches to its special relationship with Canada. What are we to understand from Mr. Christopher's words when he says that we "should not take it for granted that a different kind of organization would just obviously have exactly the same kind of ties"?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the words of the American Secretary of State are clear evidence of how important the very close and very profitable ties between our two countries are to the United States. The arrival of a third player in the game might complicate things considerably. An eternal triangle is certainly not something the U.S. would wish for, if I read the American Secretary of State correctly.

* * *

[*English*]

NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, my question is for the Minister of National Defence.

There is a proposal before the minister's department to change the tendering system for moving companies that move employees of national defence. Will the minister assure the House that his department will not move toward a one bidder take all system, which would create a monopoly in the moving business and destroy an industry of over 800 companies across this nation and put many thousands of people out of work?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for her question. She is aware that this has been the subject of debate in the House for the last two years. It is still being debated and the discussion continues to go on.

The department has met with the Bureau of Competition Policy and with all the main players involved. I will have to tell her that a decision will be coming in the very near future on this matter.

* * *

PUBLIC WORKS

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the minister of public works. During this sum-

mer's renovations to the Peace Tower, the general contractor, Fuller, subcontracted to Karmash, who contracted Ray Wolfe to do masonry work. Wolfe's female engineer, Anne Raney, was subsequent harassed off the job by Karmash.

• (1500)

Given the government's commitment to equity in the workplace and given this workplace is within the jurisdiction of Parliament Hill, literally outside our doors, why did the minister of public works subsequently reward such unacceptable behaviour by granting Fuller and Karmash contracts for the rest of Centre Block even after the Raney incident?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I thank the hon. member for his question.

The hon. member will know that our contract is with the main contractor and not with the subcontractors. There is no what they call in law privity of contract between the Government of Canada and the subcontractor. However I instructed my deputy minister to apprise the main contractor to try to resolve the issue as expeditiously as possible. We have sent communications to him and we are hoping the matter which occurred will not occur again.

With regard to subsequent contracts I assure the hon. member as well as other members of the House that notwithstanding it is beyond the legal ramifications of the Government of Canada in terms of the privity of contract we will ensure this kind of behaviour is not tolerated. Therefore we will have to look at all contracts awarded in that manner.

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PRIVILEGE

QUESTION PERIOD

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise on a point of privilege. The member for Red Deer referred to the Canadian soldiers that we send abroad as "big, bad junk yard dogs". What a terrible and unfair characterization of the members of the Canadian forces who have served our country and the UN for decades.

There seems to be an attempt by the members of the third party to smear the Canadian forces.

The Speaker: That is not a point of privilege. The hon. member for Red Deer has been named and I saw him getting to his feet. Does the hon. member have something to add to the point before the House?

Mr. Bob Mills (Red Deer, Ref.): Yes, Mr. Speaker. I quote the minister of defence when he said: "Our force would have to be robust and tough".

In my question I said we were not sending peacekeepers, which is what the defence minister went on to say. The U.S. defence minister said that the force has to be the biggest, baddest junk yard dog.

Some hon. members: Oh, oh.

The Speaker: Once again I urge members to be very judicious in the choice of words we use in the House of Commons as they can be interpreted in various ways.

I believe the House of Commons is a place where we have very strong feelings and from time to time we use very strong words. I would hope this is not an indication of things to come and I would like the matter to rest where it is. It is not a point of privilege.

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POINTS OF ORDER

QUESTION PERIOD

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I rise on what I think is a genuine point of order. It is on the same subject with a slightly different twist.

Some hon. members: Oh, oh.

Mr. Stinson: You are twisted.

Mr. Mifflin: I beg your pardon?

An hon. member: I heard that.

Mr. Mifflin: The hon. member for Red Deer in his question to the Prime Minister in the context of another country used the term "meanest junk yard dogs" in reference to members of the Canadian forces.

• (1505)

My concern is not just that he used that term; but in reference to the tenor of the questions from the third party that morale in the Canadian forces was so bad that perhaps we may not want to send the troops, this was totally out of context. In that context I ask the member to withdraw that statement.

The Speaker: We had a point of privilege which I ruled was not a point of privilege. The hon. member for Red Deer rose to his feet to give some explanation. I said I wanted to let the matter rest there.

The hon. parliamentary secretary raised the same point on a point of order. I would rule at this point at least—I do not want to

get into a debate—that members of Parliament should not be curtailed by the Chair any more than is absolutely necessary when they are giving some opinions.

There are some words that are offensive to the House in total. There are some words that are inflammatory to some members. Once again I would appeal to members that the more they push their Speaker to making decisions on the comments they make by bringing it right up to the end, the more difficult it is to conduct a civilized question period, if I might use that word.

I urge all hon. members to be very judicious in their choice of words and I would rule it is not a point of order.

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[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, in keeping with tradition, might I ask the government leader to tell the House what will be on the program in the coming days.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, we will continue this afternoon with Bill C–105 which ratifies a number of international tax conventions.

I understand there have been discussions and as a result all parties have agreed to complete debate on this bill at all stages in the House of Commons. I thank the other parties for their co–operation in this regard.

When that is completed we will then proceed with second reading of Bill C–107, the British Columbia Treaties Commission bill. I expect that will carry us into tomorrow or even Monday of next week. When second reading of Bill C–107 is completed, we will then call report stage of Bill C–93 respecting cultural properties.

I will want to examine what further legislation is reported from committee before I set the program for after Bill C–93 is completed.

GOVERNMENT ORDERS

[*English*]

INCOME TAX CONVENTIONS IMPLEMENTATION ACT, 1995

The House resumed consideration of the motion that Bill C–105, an act to implement a convention between Canada and the republic of Latvia, a convention between Canada and the republic of Estonia, a convention between Canada and the republic of Trinidad and Tobago and a protocol between Canada and the republic of Hungary, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, be read the second time and referred to a committee.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, the conventions we were talking about this morning under Bill C–105 are actually patterned to a large extent on the model double taxation convention prepared by the Organization for Economic Co–Operation and Development.

Under the convention a general rate of withholding tax of 5 per cent will apply to dividends paid to a parent company and on branch profits and 10 per cent on interest and royalties. The rate of withholding tax on other dividends is set at 15 per cent. The convention also provides for a number of exemptions in the case of interest.

The Standing Committee on Foreign Affairs and International Trade is holding many meetings with small and medium size Canadian companies. These companies are already exporting Canadian goods to other countries or are interested in penetrating the export market.

• (1510)

I compliment the committee for taking on the task to stimulate exports where $1 million in trade can create over 30 or 35 jobs. If we want to create more jobs in the country, which is the mandate of the government, there are two ways of doing it: first, by increasing our exports for companies that have never been in the export market and, second, by encouraging those who are exporting to increase their exports by 5 per cent, 10 per cent or 15 per cent.

We were very pleased that some of the witnesses who appeared this morning talked about trading with companies such as the ones mentioned in the bill.

The fact that we have Canadians who came here from countries around the world makes Canada a great country. We have to capitalize on our strengths. Some Canadians understand not only the languages of Hungary, Latvia and Estonia, Trinidad and Tobago but the cultures. It is very important when trading with a country to know its culture. This is why it is important to preserve our policy of bilingualism and multiculturalism.

Before question period I debated with the hon. member for Jonquiére who tried to compare the province of Quebec with small countries such as Estonia, Latvia, Hungary, Lithuania, et cetera. He was really comparing apples and oranges because la belle province is a beautiful province within Canada. When I think of Canada I include the territories and all the provinces.

I reminded the hon. member that better protection there would not be to preserve the French language than having it entrenched in the Canadian Constitution and in our overall policy. That language will never die in Canada if we stay united and keep our country strong. However, if we start splitting up the country and if Quebec separates, that guarantee of the French language and French culture will no longer be there. When the people of

Quebec vote on October 30 I hope they will take that into consideration.

The referendum is glossed over with fancy language. The referendum question should read: Do you want to separate from Canada? Yes or no. If it were worded that way I think we would find that the majority of Canadians living in Quebec, regardless of origin, would vote no. Canada has been twice declared by the United Nations the number one country in the world in which to live. Canada has been identified as the second richest country on the planet, next to Australia.

Why would any Canadian or any province want to separate? It is nonsense. That is why we need bills like Bill C–105 so that all Canadians interested in exporting, be it to Estonia, Latvia or Trinidad and Tobago, have the freedom to do so and at the same time have the protection of not being double taxed, of not losing their profits and of not being taxed unfairly.

These are agreements we have already signed with 55 other countries. It is nothing new. I am pleased that the official opposition and the third party, if I heard correctly, will be supporting the bill.

I appreciate the opportunity to take part in the debate. I remind all Canadians, especially people living in la belle province, that we have something no other country in the world has. Let us keep it that way.

• (1515)

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is with great pleasure that I stand before the House to speak on Bill C–105, an act to implement tax conventions between Canada and Latvia, Estonia, Trinidad and Tobago, and a protocol with Hungary.

Canada has such agreements with more than 55 countries. This type of agreement is very normal in today's business environment because the global economy is becoming smaller. The barriers for trade are coming down. The fences that were built between countries are no longer in existence. The trend is that there will be more and more trade. There will be more investment among different countries.

When Canadian companies invest in other countries they have to look at the tax implications that exist. Obviously those companies are making a profit there and when they do we have to have certain rules on withholding taxes. The same is true when investments are made here by companies outside of Canada. We have to have rules and regulations to govern how those moneys can be taken out of the country.

Bill C–105 provides the legislative authority for the implementation of the tax agreements which Canada has signed. The tax treaties are designed to alleviate double taxation of income earned in one country by a person resident in another country. Obviously it would not be beneficial for someone to invest in another country only to have to pay the full taxes of that country and then once again pay taxes in their resident country. That would not be an incentive to invest.

This is very good for Canada. We are a trading nation. One out of every five jobs in this country is related to trade. Trade will be increasing.

In the criteria used as to which countries we should and should not have these types of agreements with, three primary factors are to be considered when negotiating a tax treaty with a particular country.

One is how much Canadian investment is planned for that country. Obviously if we have a much larger amount of capital and investment going into another country, there is a greater urgency. If we have very little, then it is not that apparent to have a tax treaty. The second requirement is Canada's desire to encourage economic reforms. If we want to encourage economic reforms, that is an additional reason to ensure there is a tax treaty. Another requirement is a country's interest in expanding its trade and economic relations with Canada.

We are building new relationships all the time with other countries. For example, there are companies investing in the tourism business and mining in Cuba. To ensure that those investments are encouraged and that we have an understanding with Cuba, we need to look at tax treatments, to ensure there is a fair tax treatment for both countries, for the other country and for Canada.

There is also the capital gains situation. There has to be a way to ensure that when a foreign company or an individual in another country comes to Canada that the tax is paid on their profits here but that they are also treated so that there is equity in the tax being paid. In other words, a company paying taxes back home does not have to pay twice. This is an advantage for both countries.

• (1520)

Bill C–105 is neither earth shattering nor housekeeping legislation. Rather, it is workaday legislation which addresses the dual issue of fair taxation and good international relations.

In this era of governments reappraising their roles, particularly their economic roles in an increasingly interdependent open global economy, reciprocal tax treaties make good common sense. They certainly do not hinder economic competition, which for Canada is an important fact of life. Canada is above all a trading nation. We must keep expanding our trading boundaries and our relationships with other countries.

A few items in the bill apply to all four treaties. First, while tax treaties vary from one country to another, because there are special circumstances, each treaty must be negotiated individually. These proposed conventions are similar to other treaties already concluded by Canada. They are patterned on the model

of the double taxation convention prepared by the Organization for Economic Co–operation and Development.

Second, each treaty has been negotiated individually and has taken into account the relevant policies in each country.

Third, Bill C–105 provides an equitable solution to the double taxation problems which exist between Canada and these countries. Double taxation occurs when international transactions result in the same income being taxable in the hands of the same person by more than one nation.

In addition, the protocol brings the convention with Hungary in line with the current Canadian tax policy, particularly with regard to the rates of withholding taxes.

Here are some of the technical aspects of Bill C–105 which apply to the treaties with Estonia, Latvia, and Trinidad and Tobago.

There will be a withholding tax rate of 5 per cent on dividends paid to parent companies and on branch profits, 10 per cent on interest and royalties, and management fees in the case of Trinidad and Tobago. A 15 per cent rate of withholding tax will apply on other dividends. The conventions also provide for a number of exemptions in the case of interest. For Estonia and Latvia, a zero rate will apply to interest paid to the governments, the central banks, the Export Development Corporation, and from sales made on credit. I could go on with more of the technical details of this bill, but I would like to talk about taxation in general.

Because there is more and more trade happening around the world, and for very good reason, we as a country want to ensure that our energies are put into doing the type of economic activities in which we have a trade advantage, where we are more competitive and have the resources, the skills and the technology which will enable us to be more competitive than other countries. We would be able to produce that product at a lower price than other countries that may not have the same advantages. As we see more and more trade developing around the world, some of the costs will decrease.

One of the most important things is taxation in general. As Canadians we have to ensure that we do not burden our companies and our business people with high taxes which would make it more difficult for them to compete in the international community.

Canadians are overtaxed and our tax system is too complicated. We have to work on both of those areas to ensure that we simplify our tax system and that we reduce the tax burden. If we do not do that, we will find it more and more difficult to compete around the world. If our neighbours or our trading partners have a much lower tax rate, obviously our companies and our business people will not have the same advantages.

• (1525)

As trade develops and the barriers come down, as we saw with the world trade agreement, we will need to focus more on taxation, on our rate of taxes and on the complexity of our taxation system. We will also need to ensure that our duties and excise taxes are also very competitive and consistent so that we can compete efficiently with the rest of the world.

Our finance minister will ensure that some of those areas get attention so that we can continue to be a strong trading nation. In doing that, we will continue to create employment and opportunities for all Canadians.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have the pleasure to rise this afternoon to say a few words about Bill C–105, at second reading.

This piece of legislation implements tax conventions between Canada and Latvia, Estonia, Trinidad and Tobago and a protocol to the tax convention signed with Hungary.

Canada has signed tax conventions with 55 countries; Bill C–105 allows for the implementation of conventions with four of these countries. The purpose of these conventions is simply to avoid double taxation of income. This means that an individual would not be required to pay taxes both in Canada and Trinidad and Tobago, for instance, or in Canada and Hungary.

Indeed, some engineering companies in my riding do business in such countries, where they plan and build bridges and other things. I refer to civil engineering, of course. The purpose of this bill is to avoid things of this kind.

I must say that I was rather taken aback by the remarks made by the Bloc member this morning in the House. The member for Jonquière, I believe, used the time he had been given to speak on Bill C–105 to extol the virtues of separation.

The member opposite had a great time explaining that Bill C–105 meant that Quebec would automatically have access to all the international agreements signed by Canada. This is stretching the truth, to say the least. Indeed, it is true that Canada has agreements with several countries in order to avoid double taxation. But to say, as the member is claiming and as he mentioned in some of his statements, that Quebec, if it were to separate, and I hope that never happens, would automatically have all the rights or most of the rights that it now has within Canada in terms of international agreements, that is not only an exaggeration, but as we would say in Hawkesbury, "that is stretching it quite a bit".

I say to the member opposite that, what he would want Quebecers to believe is that, in fact, Quebec would automatical-

ly have the right to join NAFTA, for instance, or other trade agreements such as the Canada–U.S. free trade agreement.

That is simply not true. Yesterday, Mr. Christopher said clearly that, if Quebec were to separate, things would not be necessarily the same at all.

• (1530)

Of course, the Deputy Premier of Quebec has attempted to give a different twist to all of this. Last night, on the news, we saw him try his best to put other words in Mr. Christopher's mouth. But it did not work, of course. Mr. Christopher's words are clear. Besides, a few days ago, we saw the Roh report, which was even tabled in this House and which indicated, once again, that agreements signed exclusively between Canada and the United States or Mexico are not automatically offered to other countries, including Quebec if it became a country. And I repeat that I hope that this will not happen. I hope we will remain a united country, the great country we live in.

However, that would not be automatic, and the Minister of Finance made it clear. The minister mentioned that one million jobs in Quebec depend on trade. He clearly said that those jobs are at risk. He did not say that they would all disappear. He did not say that. The member opposite knows that and so do his colleagues. But it is true that these jobs are threatened. Does that mean that some would have to take salary cuts, while others would lose their jobs, their benefits, or whatever else? I do not know, but there is no doubt that jobs are at stake. There is a potential loss for one million workers. This is not to say that they will all lose their jobs. Absolutely not. The member knows that too.

However, it also does not mean that everything will remain the same as it is, and the member is also aware of that. There are potential losses and there are great risks. As we saw, the referendum campaign went through various stages. For example, at the beginning, these separatist members told us about sovereignty, without elaborating. Then we saw one separatist leader give way to another and, at the same time, we started hearing about a new union, a unifying separation, if you can imagine.

According to the Leader of the Opposition, this unifying separation would lead to all sorts of agreements, imaginary or otherwise with the rest of Canada, in addition to ensuring that Quebecers would enjoy all the benefits resulting from Canada's international agreements and prestige, including the Canadian passport, if you can imagine that for one second.

Yesterday, the Leader of the Opposition went so far as to admit it may not be quite that way. Trying another tack, he said that, maybe, the passport will not be a Canadian passport. It may turn out to be something else. We can see that he is starting to sing another tune, once again. Separatists are shifting like that all the time. It is a case of moving targets.

What takes the cake, concerning agreements and privileges that some separatists envision, is that they used the Canadian dollar, the loonie with the word Canada on it, to replace the "o" of "oui". It is very hard for me, and probably for you too, to imagine they had the gall to do that, but it goes to show how low the separatists across the way have stooped during the referendum campaign.

Last weekend, I campaigned in the Saint–Janvier area, near Mirabel. Senior citizens told me and some of my colleagues that separatists had told them that voting yes meant voting for Canada. That is what they were told by separatists.

• (1535)

How awful. This shows how little conviction they have on the other side if they go around telling people the opposite of what they think in order to get their vote.

That is what I witnessed last week. This is the sort of thing going on. They tell senior citizens that voting yes means voting for Canada. That is what I have seen in that area. Members opposite must not be too sure of their arguments if they are willing to tell the opposite of the truth to win votes. It is even worse than the unifying separation the Leader of the Opposition was talking about last week. That is the kind of thing we have heard.

This morning, the hon. member tried to rewrite history when he said that the province of Ontario and Quebec have been together only since 1867, only for 130 years is what he said, when he knows full well that the Union Act of 1840 was signed—guess when, ladies and gentlemen—in 1840. That is why it is called what it is called. Being a teacher yourself, Mr. Speaker, you know that is so.

The pages here in the House of Commons are all students who have learned that the Union Act of 1840 was signed in 1840. It does not come as a great surprise to them, but it seems that the Bloc members have to revisit the past, because the rest of their arguments does not hold so good either.

Let me tell the hon. member opposite who spoke this morning that the agreements referred to in Bill C–105 are not side agreements nor are they similar to agreements made under the Canada–U.S. free trade agreement and NAFTA signed by Canada, the United States and Mexico.

U.S. trade representatives, whether it is Senator Dole, Mr. Roh, and even Mr. Christopher no later than yesterday, have all clearly stated that there will have to be concessions for a sovereign Quebec to keep the prerogatives it now enjoys within a unified Canada. That is why Canada must remain unified, if for no other reason than to serve the commercial interests of the

country and the interests of all the workers in Quebec and the rest of Canada.

That is what the prime minister said, that is what the Minister of Finance said, and that is what other ministers said. All of my colleagues as well as Mr. Johnson and the chambers of commerce have said it. A united Canada will bring us prosperity, but a divided Canada will bring us adversity.

This must not be. We have all been elected to this House to help build this great country, to make it better and more prosperous. Those are the commitments we made in the red book and that is what we will do as a government. This is why we urge Quebecers to vote no in the referendum, so that we can continue to build this country, to build an economy for each and everyone of us.

[*English*]

Mr. Speaker, before you put the question, I believe you will find the unanimous consent of the House that the bill be referred to committee of the whole to be dealt with immediately. I understand one of the chairs of the committee of the whole is preparing to enter the Chamber shortly in order to take over that measure should the House give its consent.

• (1540)

The Speaker: Is that agreed?

Some hon. members: Agreed.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to, bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Kilger in the chair.)

(Clauses 2 to 5 inclusive agreed to.)

[*Translation*]

On clause 6

The Assistant Deputy Chairman: Shall clause 6 carry?

Mr. André Caron (Jonquière, BQ): Mr. Chairman, would it not be appropriate, since it is a regulatory power being granted the minister, to see to it that the minister consults the House or the appropriate standing committee before issuing the regulation?

[*English*]

Mr. Walker: Could we have the question again, please?

[*Translation*]

Mr. Caron: Even so, Mr. Speaker, clause 6 makes provision for a regulatory power. I believe that departments often go too far in the definition of what constitutes a regulation. I believe that it would be worthwhile and even appropriate for the Standing Committee on Finance to be consulted when a regulation pertaining to this bill is issued.

The Assistant Deputy Chairman: We have had technical problems and I appreciate the member for Jonquière's cooperation in kindly repeating his question.

Mr. Walker: Thank you. Now we understand the question.

[*English*]

The reason this piece of legislation and the tax treaty would come to the House in this form is to ensure that the House is clear as to what is being delegated to officials in terms of regulatory authority. However, the House of Commons has, through other committees, regular review of regulation. Any time a member feels this is not within the normal course of activities they can bring it to the attention of the House through that committee, but there is no particular regulatory reference back to the House of Commons finance committee.

[*Translation*]

(Clauses 6 to 22 inclusive agreed to.)

(Schedules I to IV agreed to.)

[*English*]

(Clause 1 agreed to.)

(Title agreed to.)

(Bill reported.)

• (1550)

[*Translation*]

Hon. Allan Rock (for the Minister of Finance) moved that the bill be concurred in at report stage.

(Motion agreed to.)

The Acting Speaker (Mr. Kilger): When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

[*English*]

Hon. Allan Rock (for Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.) moved that the bill be read the third time and passed.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak today at third reading of Bill C–105, the Income Tax Conventions Implementation Act, 1995.

Hon. members will recall that Bill C–105 implements reciprocal income tax conventions between Canada and Latvia, Canada and Estonia, Canada and Trinidad and Tobago, and a protocol to

the current income tax treaty between Canada and Hungary. The tax conventions and the amending protocol this bill will ratify are patterned after conventions previously approved by this chamber. They break no new ground.

Tax treaties have two main specific objectives: the avoidance of double taxation and the prevention of tax evasion. More broadly, tax treaties facilitate investment and trade between the treaty countries and can help encourage reforms.

The treaties in the legislation before us are part of an ongoing series of tax treaties that began in 1971, when the reform of Canada's income tax legislation required Canada to expand its network of double taxation conventions with other countries. They also reflect Canada's willingness to reduce or eliminate certain forms of withholding to meet international norms and to advance our economic interests, including the competitiveness of our technological industries.

The treaties are patterned on the model double taxation convention prepared by the Organization for Economic Co–operation and Development. Each treaty has been negotiated carefully and individually. Each takes into account the relevant policies of the country with which we are undertaking this treaty. The treaties will provide an equitable solution to the double taxation problems that currently exist between Canada and these countries. In addition, the protocol to our treaty with Hungary brings the existing convention with that country into line with current Canadian tax policy, particularly in the area of withholding taxes.

Let me briefly restate during this third reading debate some of the technical provisions of Bill C–105 that apply to the treaties with Estonia, Latvia, and Trinidad and Tobago. First, there will be a withholding tax rate of 5 per cent on dividends paid to a parent company and on branch profits and 10 per cent on interest and royalties, which in the case of Trinidad and Tobago includes management fees, and also a 15 per cent rate of withholding tax that will apply on other dividends.

The conventions also provide for a number of exemptions in the case of interest. For Estonia and Latvia a zero rate will apply to interest paid to the governments, the central banks, the Export Development Corporation, and from sales made on credit. For Trinidad and Tobago, a zero rate will apply to interest paid for government indebtedness and on loans or credit from the Export Development Corporation or its equivalent there and for interest paid to pension plans.

• (1555)

Canadians will benefit from any future changes extended by Estonia and Latvia to other OECD member countries with respect to withholding tax on copyright and patent royalties. Trinidad and Tobago will maintain the exemption on copyright royalties.

Pension payments and annuity payments in the case of Trinidad and Tobacco will be taxed at a maximum rate of 15 per cent in the source country. However, war pensions in Trinidad and Tobago will be exempted. In addition, social security pensions will be taxed in the originating country and the withholding tax rate on annuity payments will be dropped to 10 per cent.

Also with respect to Trinidad and Tobago, the two–year exemption for visiting teachers will no longer exist and seasonal workers will not have to pay Canadian tax if they earn under $8,500.

I return briefly now to the protocol negotiated with Hungary, which is also part of Bill C–105. As background, the Income Tax Act amendments in 1976 increased the rate of the withholding tax paid to non–residents from 15 per cent to 25 per cent unless reduced by a tax treaty.

The existing treaty between Canada and Hungary reduced the withholding tax rate to 10 per cent on dividends paid to a parent company and 15 per cent in all other cases. However, that convention was negotiated before the 1992 budget announced Canada's willingness to reduce its withholding tax on direct dividends to 5 per cent. The revised protocol before us today reduces that rate and the rate of branch tax to 5 per cent by 1997. There are no changes in the rates of withholding tax on other dividends.

The Government of Canada will lose no revenue as a result of the provisions in these treaties. Not only will Canada gain from increased trade and investment, but we will gain too from the reduced withholding tax rates and other concessions we have gained from these negotiations.

There is nothing contentious in this bill. I would like to take a moment to thank the House for its co–operation today, for providing for second reading in committee of the whole and now third reading. It is very much appreciated that the opposition parties that are participating in this debate today understand that this is a good step forward for the government.

This is a workaday legislation that will expand trade and investment opportunities between Canada and the countries with whom we have made this deal. Canada already has tax agreements with 54 nations. This bill will increase the number to 57.

I call on the House to give its support and bring a conclusion to this debate on third reading.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

Mr. Jordan: Mr. Speaker, on a point of order, it is my understanding that one of our members wishes to speak to third reading of this bill. Perhaps that could be accommodated.

The Acting Speaker (Mr. Kilger): Certainly. We are still at the debate stage.

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is a great privilege to speak once again on Bill C–105.

This bill shows that you need to build an infrastructure whenever you deal with trade with other countries. That infrastructure takes a substantial amount of effort to create so that there is trade and investment taking place among different countries.

• (1600)

Looking at the legislation, as I said earlier in the debate, there is an agreement with 55 countries. I know members of the Bloc think it is very simple and easy to build a relationship with other countries. They think it is very easy to set up treaties, make agreements and develop trade with other countries. It takes a very long time to build the infrastructure and the treaties. It takes a long time to make agreements and create the organizations to develop trade and exchanges, rules, regulations and understandings among different countries.

It does not take a genius to know that if the infrastructure is broken, if those agreements are broken sometimes they cannot be renegotiated. For example, some people in the Bloc think it would be very easy to negotiate a new NAFTA. That simply is not the case. Look at the world trade agreement. It took years and years to negotiate that, to develop a consensus among so many countries.

This bill shows that as a country, Canada needs the tremendous infrastructures we have built in trade, transportation and organizations. These were not created overnight. They took years and years to develop. It also takes expertise.

I sometimes wonder what the people in the Bloc are thinking when they say that they can do the same thing overnight and that they will be able to set up all the agreements the next day and do all the things it took Canada so long to do. It makes no sense.

Everyone knows that when political uncertainty is created, business people are not willing to invest where there is uncertainty. One way to judge that is what has happened in real estate, the business I was involved in. It is a very good indicator of the investment climate and of the uncertainty that exists. If we drive across the bridge over to Hull we will see that real estate prices are lower because of the uncertainty in Quebec. They are substantially lower because of the political uncertainty created by members of the Bloc.

The jobs that are created, whether they are in Canada or other countries, the investment and the foundations that are laid are because of stability. We need political stability to ensure that we create a climate for investment and for business.

This bill is an indication of another infrastructure, another agreement we are developing as a nation. All Canadians will be able to take advantage of this. It will become easier to invest in other countries and easier for other countries to invest in Canada.

If that infrastructure is broken, it creates problems. We will not have the built in systems. Those systems take a long time to develop. As a country we have to recognize that. I think the people in Quebec recognize that they cannot duplicate overnight what took so many years to build. That is going to be a disadvantage. When we have those types of disadvantages we cannot compete. If we cannot compete, the reality is that jobs will be lost. Anybody who says that if Quebec is no longer part of Canada no jobs will be lost does not have a clue about the reality that exists out there. Thousands of jobs are going to be lost because it is taking away the system, the infrastructure, the communications, all the things that have been built up.

• (1605)

There are many examples around the world where countries have been torn apart. What happens is that the prosperity is not there. Racial harmony is a key to prosperity. At this time, the stronger the unit we have, the greater our ability is to negotiate and fulfil agreements, to have financial strength and to have a critical mass where we can talk to other countries because of our fiscal strength. We can talk to other countries because of our technologies and they will want to talk to us about the economy, trade and making exchanges.

The Deputy Speaker: Is the member finished his address?

Mr. Dhaliwal: Let me just conclude, Mr. Speaker. I see the hon. Minister of Indian Affairs and Northern Development is here so I will conclude my remarks by saying that as a country we have to recognize, as do all the people of Quebec, that we will be stronger if we are united as Canadians. We will be able to create jobs and have a future for our children if we stay together. We will not be strong if we are divided. We will be strong if we are united and we will be able to build a strong future for the generations to come.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to, bill read the third time and passed.)

* * *

[*English*]

BRITISH COLUMBIA TREATY COMMISSION ACT

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.) moved that Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to rise in my place today to begin debate on second reading of Bill C–107, an act respecting the establishment of the British Columbia Treaty Commission.

The legislation confirms Canada's obligations under the B.C. Treaty Commission agreement signed in September 1992 by the Government of Canada, the Government of British Columbia and the First Nations Summit. It is an obligation we have inherited from the previous government, but its aims and objectives lie close to the heart of this government.

Our government is committed to building new partnerships with aboriginal people based on trust and mutual respect. In the 1993 election we addressed aboriginal issues in the red book. We stated what a Liberal government would do.

In the red book we stated that our goal was: a Canada where aboriginal people would enjoy a standard of living and quality of life and opportunity equal to those other Canadians; a Canada where First Nations, Inuit and Metis people would live self–reliantly, secure in the knowledge of who they are as unique peoples; a Canada where all Canadians would be enriched by aboriginal cultures and would be committed to the fair sharing of the potential of our nation; and a Canada where aboriginal people would have the positive option to live and work wherever they chose. Perhaps most important, the red book set out our goal for Canada where aboriginal children would grow up in secure families and healthy communities with the opportunity to take their full place in Canada.

• (1610)

As a result, we also said that the resolution of land claims would be a priority. That is our vision and we have been moving step by step to bring it alive. In two years we have already made considerable progress. On August 10, I and my colleague, the federal interlocutor for Metis and non–status Indians, announced the government's approach to the implementation of the inherent right of aboriginal self–government.

We have fostered greater economic development opportunities for aboriginal communities through co–management agreements and support for business ventures. We have committed an additional $20 million annually to the Indian and Inuit post–secondary student support program. We have settled some 44 specific claims and have seen five comprehensive claims come into effect. By any measure we have achieved a great deal in living up to the commitments we made to the people of Canada in the red book.

Perhaps the most complex challenge is the one that the legislation before us addresses: treaty making in British Columbia. I would like to remind the House that British Columbia is unique in Canada in that the process of signing treaties has never been completed. Only a handful of treaties were signed in the pre–Confederation period. They cover parts of Vancouver Island. In 1899 Treaty No. 8 was signed with the First Nations in the Peace River area in northeastern B.C. However, in the rest of the province the issue of aboriginal rights remains largely unresolved.

The First Nations have wanted to resolve these issues. Repeatedly they have pressed for treaties, but only until this decade did the provincial government have the willingness to negotiate. It maintained previously that there was no need to negotiate. It said that whatever rights to land and resources the aboriginal people may have once had were extinguished long ago. The result was decades of legal acrimony. The First Nations sought settlement through the courts of what they had been unable to achieve through the negotiation process.

In 1973 the Supreme Court of Canada was asked whether aboriginal title to the Nisga'a traditional territory had been extinguished. It was the Calder case. The six judges were evenly split on the question. The Government of Canada then adopted a policy to enter into negotiations to resolve comprehensive claims.

The courts for their part have expressed repeatedly and in the strongest terms that the issues brought before them ought to be settled at the negotiation table, not before the bar. They should be settled through negotiation, not litigation.

In the case of Delgamuukw v. Her Majesty for example, Judge Macfarlane wrote:

> Treaty making is the best way to respect Indian rights—.The questions of what aboriginal rights exist—cannot be decided in this case, and are ripe for negotiation.

The learned judge went on to observe:

> During the course of these proceedings, it became apparent that there are two schools of thought.
>
> The first is an all or nothing approach, which says that the Indian nations were here first, that they have exclusive ownership and control of all the land and resources and may deal with them as they see fit.
>
> The second is a co–existence approach, which says that the Indian interest and other interests can co–exist to a large extent, and that consultation and reconciliation is the process by which the Indian culture can be preserved and by which other Canadians may be assured that their interests, developed over 125 years of nationhood, can also be respected—. I favour the second approach.

I agree with the learned judge. I too favour the second approach. I am certain that members of the House would agree that the co–existence approach, based upon consultation and reconciliation, is the appropriate course. It is this government's course. It is the course preferred by the vast majority of Canadians and the vast majority of aboriginal people.

We have undergone a turbulent summer of protest and pain. Issues which have been left unresolved for decades have erupted into violence. Negotiation, not confrontation, resolves issues. This legislation provides the framework for these negotiations in B.C. If we do not negotiate, we leave the field to those who believe in the all or nothing approach. We leave the resolution to those who have little regard for the law.

• (1615)

The B.C. Treaty Commission establishes a solid foundation for consultation and reconciliation. It lies at the heart of the co–existence approach. This legislation confirms the creation of the B.C. Treaty Commission as an arm's length body with a mandate to ensure the three parties are adequately prepared for the negotiations.

Some members across the floor criticize the BCTC because they maintain it will concede too much to First Nations. They monger fear and misunderstanding by removing facts from the context. How many times on radio shows and at town hall meetings have they used the process of negotiations to instil suspicion and resentment in the hearts of British Columbians? How many times over the past few months have we heard that the First Nations of British Columbia claim 110 per cent of the province?

The hon. members who raise these issues ought to know better. They know the claims overlap. They know they are simply opening positions that take into account the history of the various First Nations. They know the final solutions of these settlements will be very different from the opening positions. Yet they persist in stirring up fear and misunderstanding by repeating the 110 per cent figure as though it were an outrageous demand upon the common sense of the people of British Columbia. They claim the Government of Canada is ignoring other interests affecting negotiations. They spread misinformation.

These hon. members are the kinds of people who themselves favour an all or nothing approach. They do not espouse the same cause as those described by Judge Macfarlane, the view that aboriginal people have exclusive ownership, but their philosophy is the same, all or nothing. They have no patience for reconciliation or consultation. Their approach will lead us inevitably to the confrontation and lawlessness that we witnessed in British Columbia over the past few months.

Some hon. members: Oh, oh.

Mr. Irwin: Mr. Speaker, I see I have their attention now.

The role of the commission is to facilitate, not negotiate modern day treaties. Its main functions are to assess the readiness of the parties to begin negotiations, allocate and negotiate funding to aboriginal groups, assist parties to obtain dispute resolution services at the request of all parties, and monitor and report on the status of negotiations.

This House will be pleased to hear that 47 First Nations groups are involved with the BCTC process. They represent over 70 per cent of the B.C. First Nations. Two First Nations, the Teslin and the Gitanyow, are about to complete the third stage of the negotiation process. Their framework agreements have been initialled by negotiators and I hope to be in a position to sign these agreements soon. Soon they will begin negotiating an agreement in principle.

I have also had occasion to sign the Sechelt, the Gitxsan, the Wet'suwet'en, and the Champagne Aishihik transboundary claim framework agreements. This is significant progress and I would like to thank the negotiators for all parties for making it possible.

We are well down the road of consultation and reconciliation that provides the foundation for a coexistence approach to settlement of land claims. I want to make one issue very clear, particularly to those members across the floor who would stir up misinformation and distrust. Our approach of consultation, reconciliation, and coexistence applies to all interested groups in British Columbia, not just the three parties at the negotiating table. Many different groups, organizations, and individuals have a major stake in how the land claim settlements are resolved. We are dealing after all with land and resources that provide the livelihood of British Columbians from many walks of life in all regions of the province.

All British Columbians will benefit from seeing these long-standing issues resolved. The negotiations will remove the uncertainty that has held back development. Resolution opens the doors to new investment and jobs in the province.

• (1620)

To ensure the negotiating process remains accessible to the public the openness protocol is negotiated for each treaty negotiation. A typical protocol will list specific measures the federal and provincial governments or the First Nations must take to an open and productive treaty process. These protocols keep the community and the media informed about what is happening at the negotiating table.

As of June 15, 11 negotiations have completed the openness protocols. For the negotiations to be fair the voices of all interested British Columbians must be heard. We have launched a province–wide consultation process to advise both the federal

and provincial governments on the views of those who cannot be at the negotiating table but whose interests must be represented there.

The process functions at two levels. A 31–member treaty negotiation advisory committee, TNAC, brings the perspective of municipal governments, business, labour, fishing, wildlife, and environmental groups to the treaty making process. Each committee member sits on one of four sectoral groups representing lands and forests, fisheries, governance, and wildlife. The members ensure that the interests and expertise of their organizations are understood and are taken into consideration in treaty negotiations.

I have met with these advisory committee members. So has our colleague, the hon. member for Vancouver East. The BCTC commissioners and the federal and provincial negotiating teams provide updates to the members on the process of negotiations.

The second level of consultations brings the diverse interests of the various regions of the province to bear in the land claims process. Regional advisory committees are being struck in each treaty negotiation area to represent local interests. As part of the land claims process the BCTC requires a regional advisory committee be struck before Canada and B.C. are declared "ready to negotiate" a treaty with First Nations. These committees work directly with federal and provincial negotiating teams by providing input on the formulation of interest and comments on the options for discussions at the negotiating table. For example, we have formed committees in Bulkley–Skeena, West Coast Vancouver Island, Westbank Kelowna, and the lower mainland.

In the months ahead British Columbians will have an opportunity to participate in an historical process. They have the opportunity to correct an imbalance. For generations the people of British Columbia, aboriginal and non–aboriginal, have lived in a legal no–man's land of claims, conflicting claims, and refusal to acknowledge deep seated historical wrongs.

We are setting up a process whereby hundreds of years after the first interaction of two civilizations we can find a just and equitable resolution on how land and resources are to be shared. The all or nothing approach is not a solution for the 1990s. All parties, with good conscience, openness to new ideas, but with a new tough resolve to protect what is most important to each of us, must now sit at the negotiating table. We must talk. If we do not talk and if we do not resolve these issues through consultation and reconciliation we leave the field open to those who believe that the only resolution is all or nothing.

I have maintained all along that self–government agreements work best when designed from the ground up with the input of the people they affect. Now is not the time for land claim settlements by government decree or constitutional amendment. Now is the time for creativity and flexibility for modern treaty making. It will be a slow, painstaking process. It will require a great reservoir of goodwill among all parties in the negotiating process. The process is harmed immeasurably by the kind of fearmongering and controversy we have seen stirred up by those who want to score short term political points.

I am confident that the negotiation process will succeed in British Columbia. I am confident because I have been working with my provincial colleagues, with the leaders of the First Nations, and the members of the treaty negotiating advisory committee. I know that these are people of goodwill who are dedicated to reaching an equitable solution.

Canadians and British Columbians must settle this unfinished business. I urge this House to support this legislation and give the federal commissioner the power to get on with the job.

• (1625)

Mr. Harris: Mr. Speaker, on a point of order, considering that the government only presented the Reform members with this bill after 3 p.m. yesterday, which is in typical fashion, I would like to seek consent of the House if we may have the opportunity to question the minister about the bill.

The Deputy Speaker: That is not a point of order. I think the correct thing for the member to do is wait until he speaks on behalf of his party. Then he might ask the minister, if the minister will permit with unanimous consent, some questions and answers. It is entirely a matter for unanimous consent of the House.

Mr. Irwin: Mr. Speaker, we ended treaty at the Alberta border, and for 100 years we said we would come back and deal with these people who have lived there for 10,000 years.

Succeeding governments have tried to and made movement to start a process. But when I walk through these doors, as we all must at some point in our lives, the one thing I will be proud of is that in October 1993 this government was elected and in December 1993 the B.C. Treaty Commission doors were opened for negotiations.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, of course Bloc Quebecois members will support Bill C–107.

However there are a few concerns that should be addressed in the debate. Having always made a point of seeing for myself how aboriginal people live, I feel I am better able to speak, perhaps with a bit more assurance, about aboriginal issues, including the bill before us.

As recently as last summer, I had the great privilege of visiting British Columbia and meeting with some aboriginal nations, some communities which were deeply concerned about the negotiation and the British Columbia Treaty Commission.

Among others, I met with the Nisga'a nation, the main party to the negotiations in British Colombia. I had the extreme privilege of visiting, with Mr. Adams, five Nisga'a communities settled in an a marvelous area. A few hundred years ago, two Nisga'a communities were wiped off the map when a volcano erupted in that part of the country. Today the Nisga'a people revere the ruins of these ancient villages and are really anxious to reach an agreement.

This is no exception to the usual attitude among the communities I met in British Columbia. Up to now, they always chose the path of negotiation in good faith rather than confrontation. Why do I mention the Nisga'a? Because, as I said in my opening remarks, I think they are at the centre of these negotiations. As you know the Nisga'a band is probably—in fact, it is—the only nation that is not under the umbrella of the British Columbia Treaty Commission because they had started their negotiations even before the commission was created, and the federal government recognized it.

I will give a short overview of the commission's progress in a few moments. As a matter of fact, having begun to negotiate before any other band, the Nisga'a are necessarily a length ahead the others now.

However, they feel it is important for the negotiations to progress as fast as possible. Unfortunately, they are now blocked, both at the commission and with the Nisga'a.

Speaking of concerns in this regard, both the Chilcotin band and the Carrier–Sekanni band I visited told me that, if the negotiations with the Nisga'a did not progress, the commission's efforts to negotiate agreements with nations and communities of British Columbia could grind to a halt. This is why I feel we should take an interest in what is happening to the Nisga'a, who right now are having a really bad time.

• (1630)

Personally, I witnessed the terrible devastation of the forest environment. A certain territory has been recognized as belonging to the Nisga'a as part of their ancestral land or aboriginal territory. We know what the terms "aboriginal territory" mean. The Nisga'a are asking for only 8 per cent of this territory recognized by the court.

However, despite the fact that their claim is rather modest and reasonable, the Nisga'a are witnessing today the plundering of their forests. Between 100 and 200 trucks a day are taking away freshly cut logs. They are asking themselves: "My God, are we ever going to come to an agreement to put an end to this plundering, and manage to protect our hunting and fishing rights recognized by the Canadian constitution?" I have, in my office, videos which show the dreadful consequences of the clear cuts in British Columbia where, once the loggers have gone through, there is nothing left, neither trees nor beasts. Very often, the damage is irreparable. Such forests will take hundreds of years to recover.

In their opinion, had such forest been burned to the ground it would recover faster than it will in the present situation.

It is a race to clear cut as much of the forest as possible, and the Chilcotin, the Carrier–Sekkani and the Nisga'a, have a feeling that governments are allowing this wanton destruction, this mad race for profit, this rush to clear cut everything. When it is all over, when all the resources are gone, they believe they will be told: "Now, we are ready to resume negotiations and we are willing to give you the territory", a territory which will have been emptied, as I just said, of all its natural resources.

The Nisga'a are extremely concerned. I even wrote to the premier of British Columbia, asking him to put an end to this plundering. As you know, British Columbia is a big province, as big as Quebec, if not bigger. You have to travel by plane to reach these native communities. One can see the damage done by logging companies through clear cutting.

I take this opportunity to say that I, for one, find shocking this complete waste of a province's natural resources on what will probably be considered native lands, and recognized as such. We remain silent before the devastation, and the natives must wait for the negotiations to continue. In the meantime, they see that their lands keep deteriorating. It was worth mentioning, I think.

I also noticed a general shortage of housing in the communities; several generations live under one roof. There are health problems.

Finally, there is a pressing need to conclude treaties in British Columbia. I will talk about Quebec native communities later. In this regard, Quebec is a model. British Columbia would benefit from imitating the Quebec government, which has great respect for natives, in spite of what is reported in the media. I can assure you of the contrary, as I will demonstrate. I wish good luck to the people of British Columbia, hoping they will follow in Quebec's footsteps with regard to native peoples.

Let me talk a little about the Chilcotin people from British Columbia, because they are very outspoken. Something funny happened. When I told them that the official opposition critic wished to meet them, it apparently created quite a commotion in the community. The fact that a nasty separatist from Quebec, even though a critic for Indian affairs and as such in a position to put questions regularly to the minister, wanted to come to talk with them about their problems made them rather uneasy. They were a little concerned. However I found them to be great people, and warriors. I call them "warriors" because the

Chilcotin pride themselves in having been the only native nation in Canada to have fought a war against white people and won.

• (1635)

As you know, all the natives in Canada say they might have fought wars, one side against the other, but in the case of the Chilcotin, it was definitely the case and they are proud of it. They even mentioned the names of warriors who took part in the battle. It was clear to them that the Chilcotin had defeated the white people who wanted to invade their territory, but of course they were unable to hold out for long after that first victory. From then on, there was a gradual invasion of their territory.

Promises had been made to them at that time. It is worth noting that these were not necessarily agreements signed between the Prime Minister, Her Majesty the Queen and some representative of the natives. Even the courts are now beginning to recognize that the verbal agreements and commitments made at the time were legally binding, because natives were absolutely not able to understand—they needed translators to have white people's words translated into their language and white people needed translators to understand what the natives were saying. Thus verbal agreements were binding. Courts are beginning to recognize it.

At that time, those natives were told: "Listen, we recognize the Chilcotin nation, we recognize the Chilcotin Valley as your hunting and fishing grounds". What happened to the Chilcotin has happened to many native communities in Canada.

Over the years, over the decades, over the centuries, there has been a gradual invasion. Today this proud Chilcotin nation is reduced to six small communities on small reserves.

To look at the population figures, I believe that since 1987 the population of these communities has doubled. Now the people are living in cramped reserves, threatened with prosecution by the pulp and paper and forest companies if they go off their reserve to hunt.

There are huge problems, therefore, and the Chilcotin are impatiently waiting for the British Columbia Treaty Commission to get moving to ensure them of the few natural resources remaining to them.

The same situation exists with housing. Sometimes there are three generations living under one roof. The Chilcotin would therefore like to see the negotiating process get not just started up but speeded up.

Another example they spoke to me about, and one in which I have had to intervene, was that the military base in the Chilcotin valley is testing artillery on Chilcotin land. They have been trying without success for years to get this testing stopped.

The situation is therefore this: overpopulated reserves, an inability to have any say about such vital issues as housing and the free disposal of property that ought to be theirs, since they were the original inhabitants, an inability to have any effective impact on a military base which continues to pillage their natural resources. Needless to say, the Chilcotin are anxious to see the whole thing settled.

They too have agreements, and this is where we see the sense of responsibility among the aboriginal nations. The Chilcotin have an agreement with Fisheries. Some twenty people are involved with fisheries, the salmon fisheries among others. Conservation is primary among the priorities set. The concept of conservation is assured.

Then there is the concept of subsistence fishing, and thirdly there is commercial fishing. The Chilcotin have demonstrated that when they are given these responsibilities not only are they excellent conservationists but they can also obtain their food from subsistence fishing or hunting.

There are many such examples, and there is great anticipation of the day when everything can all be translated into agreements. At the moment, unfortunately, everything is at a standstill.

• (1640)

I will tell you a little later on where I think negotiations have stalled. I believe the federal government has a responsibility, but the Government of British Columbia also has a responsibility. I think both sides have to agree if there is to be any progress, because these aboriginal communities are ready to start negotiations, but we are now seeing obstruction on the part of the Government of British Columbia, and the federal government, instead of putting the pressure on to get things moving again, just sits there and says: "Well, I am going to wait until the Government of British Columbia pulls the switch and starts negotiating in good faith".

The trouble with the Premier of British Columbia is that when he came to power, with the NDP, he was very, very receptive to aboriginal issues. But recently, probably under pressure from the Reform Party, he is starting to say: "Listen—". They started by setting a deadline for the Nisga'a, and they said: "If no agreement is reached by that date, the deal is off". Of course the deadline passed and now all negotiations have been on hold since last summer.

Because of growing support for the Reform Party in western Canada, the Harcourt government is backing down and unfortunately, it is not only backing down but, as I said earlier, it allows this wholesale destruction of natural resources to continue. Meanwhile, the aboriginal peoples have to watch this exodus of natural resources from their communities without being able to intervene.

I also met the Carrier–Sekkani in Prince George. We had a very frank discussion about sovereignty. These aboriginal peoples, although they happen to be in British Columbia, 5,000 kilometres from Quebec, are concerned about the economic and political status of their brothers and sisters in eastern Canada, and I am referring particularly to Quebec. We had a very good free ranging discussion about the sovereignty of Quebec, and I think the Carrier–Sekkani understood that the quality of life of aboriginal peoples in Quebec was clearly to be envied,

compared with the quality of life of aboriginal peoples elsewhere.

I think we agreed on that. We also agreed that Quebec was certainly not going to build the Berlin wall the day after sovereignty is proclaimed to prevent aboriginal peoples or the Inuit from maintaining their contacts with their brothers and sisters in Canada and elsewhere, including Antarctica and the United States. Those contacts already exist and will continue to do so.

So, therefore, we each assured the other. They asked me as well, naturally, for support. They were very concerned about the British Columbia Treaty Commission. They said: "You know, Mr. Bachand, the commission will never get off the ground so long as there is no progress in the negotiations with the Nisga'a". If these negotiations blocked at the point they had reached, the others' negotiations at the first stage could almost certainly not be expected to catch up with the Nisga'a. The Nisga'a are 20 years ahead of the other communities in their negotiations. Therefore the bill before us today is of major concern in British Columbia.

I want to say in passing—I was talking about the Carrier–Sekani earlier—I would like, while we are before the cameras here, to salute Camille Joseph, elder of the Carrier–Sekani nation, who is well into his 90s. I simply sent him a congratulatory note, but I will take a moment during my speech to note it in passing, because I think it should be mentioned.

The three communities I have just talked to you about are on the mainland. I went to the island as well. The same concerns are to be found on Vancouver Island. Members of the Mid–Island Tribal Council expressed their concerns to me about the progress in the Nisga'a negotiations and the systematic blocking they are currently facing.

I thought it important to situate the context of this bill's passage, a bit. There is nothing like speaking when one has been there personally and has met them and discussed all these questions with them, often over a number of hours. So I think it appropriate to mention it here. British Columbia is very rich in native culture.

• (1645)

You know, as everywhere else, there are 200 reserves, 200 communities there and whether the people are Chilcotin, Nisga'a, Haida or others, all these nations are different and even communities within the same nation differ from one another.

Therefore, it is important to know. I went to the museum in Victoria, and the whole place, the complete two story museum, is dedicated to relations between the white people and the aboriginal peoples. There we can see that the aboriginal peoples of British Columbia really had an impact on cultural values in that province.

I will not hide the fact that there is some hostility now. It is true, but maybe it is because some people provoke that hostility. I can tell you that the natives feel no hostility whatsoever towards the white people. But they have been waiting for 150 years for issues to be settled, and it has not happened yet.

It is important to realize, to see, and it is important that I can attest to the cultural impact of the native people and to their contribution to the life of the white people in British Columbia. You can see it in all the stores, the museums and the schools. The native culture is omnipresent, it has a direct impact on white and non aboriginal values and I think that, with the creation of this commission, time has come to make sure we reach an amicable agreement with the native people of that area, just as we are trying to do in Quebec where I think we are well on our way.

According to my notes, Europeans have been present in British Columbia for 140 years now, and during that time, 14 treaties covering approximately 358 square miles on Vancouver Island were signed, involving the Hudson's Bay Company. Since Confederation, there has been only one treaty, in 1899; it is one of the numbered ones. In total, there are ten numbered treaties in Canada and that one is number eight; it covers the Peace River region and the northern part of Alberta.

It is important to note that treaty negotiations have been essential for native peoples in British Columbia for the last 140 years. Their chiefs went to London to see the king. They regularly came to Ottawa, and went to the Court in London, to try to solve their problem, but to no avail. Worse yet, we, the non–natives, made serious mistakes concerning them, and British Columbia is no exception.

Moreover, I have here some notes indicating that in 1927 and 1951 they were prohibited from going to court. That meant that these people, who were trying to negotiate their land claims in good faith, could not even go to court when the negotiations appeared to be deadlocked. In spite of it all, native peoples have persevered, sometimes breaking the law, and today the situation is such that we have to find a solution. Of course, now they are allowed to go to court and, in British Columbia, things are following their course.

I have a few examples here. In 1973, the six judges of the Supreme Court were split on whether to recognize native land titles; consequently, the federal government said: "Listen, we have to settle this whole thing. We have to start negotiating".

In 1982, there was another turning point with the patriation of the constitution which, by the way, Quebec did not sign, and never will after all, I believe. This constitution contained provisions dealing with native peoples; aboriginal rights and treaty rights were recognized; the last remnants of British

colonialism crumbled, imperialist policies started to fall apart, and then, the injunctions preventing aboriginal peoples from going to court naturally became null and void.

For the past 15 years, we have been trying again to find solutions through negotiations or through the courts, if negotiations are not possible.

I believe that the decision we will make today when we pass C–107, will be a vindication of this long struggle and will enable us to finally put an end to a history of confrontation which has plagued British Columbia for the past 150 years.

• (1650)

There is also an history to the commission. There was a report from a task force on claims in British Columbia and the creation of the commission was discussed at that time. The creators of that commission had really identified the need to enter into treaties with the first nations. I quote from that report: "that a new partnership be developed to recognize the importance of natives and first nations in Canada, based on voluntary negotiations well carried out, where natives, the provincial government and the federal government would be on an equal footing".

In September 1992, an agreement in principle was signed between the three authorities. This agreement implemented 19 recommendations made by the task force I mentioned earlier, including recommendation No. 3 which, at the time, called for the creation of the British Columbia Treaty Commission that was set up a little later and that we will confirm, because the federal government had not yet confirmed its participation, although that was happening in practice.

Today, or in the next few days, with the passing of Bill C–107, we will have confirmed the participation of the federal government in this issue.

In the history of the commission, it is also important to mention that at the provincial level, it is only in 1993 that British Columbia got its indian affairs department. That was long overdue, considering all the problems that exist in British Columbia. It was not long ago that the department was established. So, it is important today that we have a recognized department, a recognized minister in British Columbia, a counterpart of the federal minister to be able to thoroughly discuss the issues.

The First Nations Summit would also be a principal to the commission. The first nations have given themselves a negotiation tool called the Summit, which is part of the agreements leading to the commission. This Summit is very active and several of the groups that I was mentioning earlier are participants in the Summit and defend the interests of natives, which will lead, they hope, to treaties.

How does this work? There are six different steps in the process. I think that it is important to follow the course of these steps. The first stage consists in submitting a declaration of intent to negotiate. I will get back to this later on. Forty or so first nations have already done so.

The second stage is the one at which negotiation arrangements are made, first meetings held and evaluations conducted to determine if the first nations are prepared to negotiate. A first meeting takes place, where one group asks the other: "Are you ready to negotiate? How soon can we start?", and so on. A number of first nations, of whom I wanted to give you the list, are already at stage 2.

Stage 3 is the negotiation of a master agreement. The further along I get into this process, the less progress is made on these issues in terms of first nations's participation.

Stage 4 is the negotiation of an agreement in principle; stage 5, the negotiation of a definitive treaty; and stage 6, the implementation of the definitive treaty.

I told you that 43 first nations were taking part in the process. To date, 14 claims have passed stage 1. No individual group has gone further than stage 3 at this point in time. It should be noted however that the Nisga'as have taken an approach to negotiations that is different from the normal approach used by the commission. The Nisga'as negotiated for 27 years just to get to the equivalent of stage 3. Unfortunately, and I must digress here to say this, negotiations have stopped since.

As I indicated earlier, when the BC Premier was elected, he said that the issue had to be settled. Finally, they agreed to set up the commission. Now, we can see that, with a provincial election impending in British Columbia, the Premier is backtracking on his promises. The result is stalled negotiations with the Nisga'a, which in turn stalls the entire negotiation process with the other first nations of British Columbia.

• (1655)

Let us now turn to Quebec. We should wish to the BC first nations that their negotiations can eventually reach as advanced a stage as was reached in negotiations with their Quebec counterparts. Unlike British Columbia, Quebec has been signing modern treaties for the past 20 years, including the famous James Bay Agreement.

Twenty years ago, the Crees, the federal government and the Quebec government signed this historical agreement, which has become a standard agreement for the rest of Canada. More accurately, any time first nations seemed to be on the verge of achieving self–government or asked the federal government and their respective provincial government: "Could you spare a

piece of jurisdiction that we could take over?", the James Bay Agreement was quoted as a reference.

As far as I am concerned, it is still a reference, and just to show you how open–minded Quebecers are, they are now saying: "Even if we are always leading the way, under the present circumstances, we agree with the Crees on the need to update the James Bay Agreement model". This goes to show how open–minded Quebecers are concerning first nations and how far they are ready to go to meet native claims in Quebec.

I have some statistics before me that I should share with you because they come from the assistant to the Minister of Indian Affairs, Professor Bradford Morse, who, in a study he submitted to the task force, gives examples of a new constitutional partnership. As recently as 1992, Professor Morse wrote on the subject of land claims that Quebec was the first Canadian province to accept the continuity of aboriginal titles and to recognize them by trying to negotiate land claim settlements. Professor Morse concluded that, compared with the other provinces, Quebec has adopted a comprehensive position that can be seen as much more favourable to aboriginal people and their rights over their traditional lands.

I think that Professor Morse thus recognizes that the people of Quebec are ahead on land claims. They are so much ahead that, when this study was done, we had already concluded the model agreement I referred to earlier, the James Bay Agreement. However, the proposal that has just been made to the Attikamek–Montagnais was not yet on the table. This proposal would recognize what we call native areas, over which native people will have full jurisdiction. We will negotiate an agreement with them on how to divide the territory, over which they will have complete freedom with regard to, among other things, joint management of natural, non–renewable and other resources.

As far as these native areas are concerned, our proposal to the Attikamek–Montagnais even provides for a 40,000 square kilometre buffer zone, which we have agreed to share with the Attikamek–Montagnais. This shows once again that Quebec is in the vanguard of the drive to improve living conditions for Canada's native people.

On the question of self–government, Professor Morse goes on to say that, of all provincial governments, Quebec is the one that did the most to accommodate the desire of native people to exert more control over their lives and their community affairs.

The James Bay Agreement recognizes whole areas of jurisdiction that now come under the exclusive control of the Cree. These areas include culture, education and health. Instead of telling native people that they must go to all–white hospitals, follow the department's educational programs and comply with the directives from Environment Canada, the James Bay Agreement has put whole areas of jurisdiction under Cree control, and I think it is important to point this out.

• (1700)

The same goes for the language component. I just talked about culture, which is often closely related to language. Indeed, we Quebecers have known for a long time that our culture and our language are closely intertwined. We recognized that was also the case for aboriginal peoples. In that regard, it is rather interesting to see that, for several years now, the Supreme Court has been targeting Quebec's charter of the French language, Bill 101. Yet, that legislation must stay, and I want to tell you about some of its more interesting provisions. Quebec's charter expressly recognizes the right of aboriginals, Indians and Inuit to protect and develop their own language and culture.

The fact that Bill 101 even includes provisions which protect aboriginal languages in our province is an indication of how open minded Quebecers are.

This explains why, as professor wrote, aboriginal people in Quebec are much more successful in terms of preserving their language than those who live elsewhere in Canada. This is a perfectly normal and accepted way of doing things in Quebec where, for a long time now, young Crees have been taking Cree language classes with their own school board, while young Montagnais do the same in Pointe–Bleue or elsewhere.

It must be emphasized that Quebecers have always attached a great deal of importance to aboriginal cultures. We recognize the fact that aboriginals were here before us. We also recognize the fact that they have given us enormous wealth. In order to keep whole segments of these societies from disappearing, Quebecers strongly encourage the protection of aboriginal languages and cultures.

Incidentally, a while ago, Mrs. Beaudoin, the Quebec minister of intergovernmental affairs, submitted a claim to the federal government, which has not yet acted on it. As you know, the James Bay agreement deals with the sharing of costs relating to Crees and Naskapis. There is the James Bay agreement, but there is also the Northeastern Quebec agreement, which primarily concerns Naskapis.

Under that agreement, Quebec pays 25 per cent of the costs related to Crees and Naskapis, while the federal government pays for the rest. In the case of the Inuit, the proportions are reversed. However, some changes have occurred since 1987 regarding the sharing of these costs. Since that year, the birth rate among Crees has increased tremendously. Consequently, there are many more children attending school.

A special effort was made to develop education programs for adults. There is an increased demand for specialized education, including for young Cree children with special needs. The Quebec government pays for that component in the case of non

aboriginal children, but there is an increased demand up there, and we must provide the additional services required.

For some time, there was no problem with the federal government concerning the payment of these costs each year. Since 1987, however, the government has changed its way of doing things. It wants to index its contribution to the annual inflation rate and sticks to this rate instead of abiding by the provisions of the James Bay agreement which were negotiated in good faith by the federal government, Quebec as well as the Crees, the Naskapi and the Inuit.

Unfortunately, for the Quebec government, this meant a loss of $199 million in income. What did it do? It could easily have said to the young Crees, as some provinces did to other native groups: "Look, since the federal government, which has the fiduciary responsibility for the fees incurred on the reserves, is not paying its share, we are no longer able to financially support education for the young Crees, under the James Bay agreement. Tell them that some children will not be able to go to school this year".

I said earlier that the same thing goes on elsewhere in the United States. The people covered by the Treaty No. 7 in central Canada are being told that they can forget about post–secondary education. "We cannot send your children to school this year, because we ran out of money".

• (1705)

We could have done the same thing in Quebec, but the Quebec government met its responsibilities and took upon itself to foot the bill. Now, it is asking the federal government, the current Liberal government, to pay its share. I must say that I think it is unfortunate that the claim made by the government of Quebec has not been settled. We are talking about $199 million. It cannot just be shrugged off.

Professor Morse, an assistant to the Indian affairs minister, also says that Quebec has shown great leadership in promoting economic development. There are some economic development provisions in the James Bay agreement where it is recognized that significant compensation must be paid to the native communities following the construction of hydro–electric dams, and that was done. Their hunting, trapping and fruit–picking rights were also recognized. We are also leaders in economic development.

Furthermore, there is a happy combination of traditional activities, like hunting and fishing, and marketing. It is also worth mentioning that there are local outfitting operations managed by natives.

In health care, we see the same thing. The Quebec government is the leader. Natives in Quebec are in much better health than their counterparts in the rest of Canada.

Finally, I hope for the benefit of British Columbia natives that the federal government will adopt Bill C–107 and will go further and use its influence and its fiduciary role to force the Harcourt government to go back to the negotiating table. I also hope that the negotiations concerning the Nisga'as will be resumed and that the participation of the federal government as a party in the British Columbia Treaty Commission will be accepted so that natives in that province can one day benefit from as much generosity as natives in Quebec.

[*English*]

Ms. Bridgman: Mr. Speaker, a request has been made by the hon. member for Vancouver East that she be able to use my time as she has commitments tomorrow. I have no problem with that.

The Deputy Speaker: Everything is possible with unanimous consent.

[*Translation*]

We could proceed this way with unanimous consent.

[*English*]

It would be understood, presumably, that the hon. member for Vancouver East would speak today for 20 minutes with a 10–minute question and answer period and that the Reform Party representative would have 40 minutes without a question and answer period the next time the matter comes up for debate.

Is there unanimous consent?

Some hon. members: Agreed.

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I thank the hon. member for Surrey North for allowing me to speak.

[*Translation*]

I would also like to thank the Bloc Quebecois for letting me speak now.

[*English*]

The bill before us marks the culmination of a long and at times difficult struggle. It is born of British Columbia's unique history. It is the product of many years of hard work and goodwill. Fairness, clarity and justice are not issues of party politics. They are elements of principles which we all share as Canadians.

Over the decades many people have played a part: people from various parties and political ideologies, people who shared little in common except a desire to see justice done and to get on with building a brighter future for British Columbia.

To understand why in 1995 we are still talking about negotiating treaties we need to look to our history. Unlike most other provinces where treaties were signed to clarify jurisdiction over land and resources and forge new relationships between First Nations and the newcomers to this great land few were ever concluded in British Columbia. As a result some 124 years after becoming a province, the key question of unextinguished aboriginal rights remains unresolved and the majority of the province remains subject to outstanding aboriginal land claims.

Few treaties were signed because of the position historically taken by the Government of British Columbia. From the late 1800s the position was that aboriginal rights had been extinguished prior to B.C.'s entry into Confederation in 1871 or, if these rights did exist, they were the exclusive responsibility of the federal government.

• (1710)

In 1990 under the leadership of Premier Vander Zalm, a Socred, B.C. reversed its longstanding position and the way was opened to resolving these issues.

I think it only fair to point out that one of the key players in convincing the provincial government to reverse its historic opposition to negotiating treaties was the then B.C. minister of native affairs, Mr. Jack Weisgerber. I know that many of my Reform Party friends would recognize Mr. Weisgerber's name. One of the early and enthusiastic architects of this process, Mr. Weisgerber now leads the provincial Reform Party in British Columbia.

Following on the heels of the B.C. government's decision, the Government of Canada and the B.C. government acted quickly to advance the process. Later the same year the federal Minister of Indian Affairs and Northern Development, the hon. Tom Siddon, along with Mr. Weisgerber and Bill Wilson, chairman of the First Nations Congress, agreed to establish a task force to make recommendations on the mandate and process for treaty negotiations.

By June 1991 the B.C. claims task force had released its report. One of its key recommendations was the creation of an arm's length B.C. treaty commission.

In the 10 months that followed, representatives of Canada, B.C. and the First Nations summit negotiated the B.C. treaty commission agreement which was the blueprint for the commission. On September 21, 1992, Prime Minister Brian Mulroney, Indian Affairs Minister Tom Siddon, both Conservatives, B.C. Premier Mike Harcourt and native affairs minister Andrew Petter, both New Democrats, joined with the First Nations summit leadership in signing the B.C. treaty commission agreement. We had all the parties on board.

In the three years since, the commission has made great progress. If there was ever any doubt that the commission was necessary, one need only look at the response it has had for the aboriginal population of British Columbia.

To date, 49 first nation groups representing 79 per cent of B.C.'s aboriginal peoples have submitted a statement of intent to negotiate. One of the terms of the agreement creating the treaty commission was a commitment to establish it in the legislation. In May 1993 both the aboriginal summit and the province fulfilled their part of that commitment.

Now the time has come for the federal government to honour its part of the bargain. These then are the events which have led us to this legislation and to this debate. I welcome all members to this great partnership.

Across the years and across party lines people have joined hands in a common cause. It is their vision and determination that we celebrate and formalize today. Their cause was simple: the desire to bring justice to aboriginal people and certainty to their province.

The costs of that uncertainty has been high. In a Price Waterhouse study prepared in 1990 it was estimated that $1 billion in investment had not occurred because of unresolved land claims. Three hundred badly needed jobs had not been created and $125 million in capital investments had not been made. Yesterday we had the mining industry in town and they were talking to me about the same problem.

Since the time of that study the price has continued to be paid year in and year out. That has been the price of denying the problem or pretending it would go away. That is the price of the status quo for the people of British Columbia. It is a price we can no longer afford. With the passage of this legislation we will be on the way to no longer having to pay.

If the price has been high for the general population of B.C., for aboriginal people it has been far higher. For aboriginal people it has meant great hardships and shattering poverty. It has meant the denial of historic rights and future hopes. It has meant generations of dreams deferred and promises unkept. It has meant a quality of life few of us can imagine and none of us should tolerate.

Conditions are appalling. Almost a third of aboriginal homes on reserves lack running water. Diseases such as hepatitis and tuberculosis virtually eradicated in the non–native population persist in aboriginal communities. Death from fires are three and a half times the non–aboriginal level because of unsafe housing and lack of proper sanitation.

• (1715)

Aboriginal people are more than three times as likely to die a violent death and about twice as likely to die before age 65. The

suicide rate among aboriginal people is 50 per cent higher than among non–aboriginal people. That difference is even more pronounced in the age group of 15 to 25.

This country can simply not afford to lose another generation of aboriginal people able and willing to make a contribution to this country. The young aboriginal people of today can be our professionals, our trades people, our inventors of tomorrow. They represent our past and our future. If we lose them it will be an incredible waste.

We cannot afford to continue to condemn aboriginal peoples to lesser lives in lesser lands. We cannot afford to judge any longer. We must start facilitating a process that is indispensable.

In my riding of Vancouver East I have one of the largest aboriginal urban communities in the country. It is an active community. Its members are engaged in bettering their situation by making everybody aware of their past and their plight. In Vancouver East there is the Aboriginal Friendship Centre and the Native Education Centre which help us understand them.

The people of B.C. have told their government to get on with it, to negotiate fair and just agreements which protect the rights of both aboriginal and non–aboriginal people alike, and the sooner the better.

We must do it in an organized manner and this is what the B.C. Treaty Commission has been doing and will continue to do. It wants to establish a stable economic climate which in turn will help to bring in investments, dollars and opportunities for all British Columbians and bring peace to our forests, our waters, our lands.

[*Translation*]

My colleague from the Bloc has explained very well how important aboriginal peoples are in British Columbia and I thank him. I also want to say that native peoples are very important to our culture, our past and our future in B.C. In fact, they are an extremely important part of the history of British Columbia, which, as you know, Mr. Speaker, is a wonderful part of Canada, where aboriginal peoples, anglophones, francophones and other communities from around the world all live in harmony.

[*English*]

In 1993, speaking in favour of the legislation creating the treaty commission, Jack Weisgerber recounted his experience in 1989 as a member of the premier's advisory council on native affairs: "It became clear to us as we travelled and met with groups around the province that if we were going to address the root of the social and economic problems we had to deal with the land claim question".

Those are wise words from a man who now leads the Reform Party in British Columbia, words echoed by members of all parties in the British Columbia legislature when that great body passed its own enabling legislation; words I commend to my friends across the floor today, words which we now have the opportunity to honour through our actions.

The history of this legislation is a story of partnerships between cultures, between political parties, between generations. Let us continue in that same spirit of partnership now as we open the way for a brighter future for all British Columbians and a prouder day for all Canadians.

We have already waited too long. We should have settled this problem long ago. We now must ensure peace and harmony with our aboriginal brothers and sisters by working with them on the settlement of their land claims and on their needs.

In the last two years we have done a lot of work and with everybody's co–operation we will be able to solve a long and overdue problem and ensure peace and certainty in British Columbia.

Mr. Robert D. Nault (Parliamentary Secretary to the Minister of Labour, Lib.): Mr. Speaker, I am pleased to have the opportunity to rise in support of Bill C–107 and in support of the comments made by the Minister of Indian Affairs and Northern Development.

Bill C–107 creates the legal framework for the British Columbia Treaty Commission to act as an arm's length body and facilitate treaty negotiations with British Columbia's First Nations.

• (1720)

I support the creation of the commission and its mandate. As hon. members are aware, very few of the First Nations in B.C. have ever signed treaties with the crown. In lower Vancouver Island several First Nations signed treaties with Governor Douglas in the mid–1800s. By the end of the 19th century the Peace River district was included in treaty number 8 signed with the federal government. Obviously it is well known to people from B.C., although it may not be known by other people in Canada, that was the last one. There have been no treaties signed in this century.

In recent years the Nisga'a Tribal Council has been actively negotiating with the federal and provincial governments. When those negotiations are complete and an agreement is signed it will be the first treaty with a B.C. First Nation signed this century, and we are almost in the next century.

The people of B.C. want to enter the 21st century knowing we have completed the unfinished business of the 19th century. The land claims of B.C. First Nations have to be resolved. Some people would ask why. Resolving these issues creates an environment of certainty which means economic growth and job creation. Settling land and resource issues creates the environment needed for increased investment and local economic activity.

In recent years real progress has been made toward resolving 100–year old unfinished business. In 1990 Ottawa, B.C. and the leaders of B.C.'s First Nations established a task force to recommend a negotiation process that could accommodate the numerous First Nations in B.C. that want to negotiate settlements.

The task force presented 19 recommendations in June, 1991, all of which were all accepted by the First Nations summit and the federal and provincial governments, a major achievement in itself. One of the key recommendations was to establish the British Columbia Treaty Commission as an arm's length minder of the process. The agreement committed the three partners to establish the BCTC through federal an provincial legislation and a resolution of the First Nations summit. In the meantime commissioners have been appointed by order in council and summit resolutions. They began their work in December, 1993 and have made considerable progress.

As a member of Parliament who represents 46 First Nations communities I can tell from firsthand experience of the importance of having a process to deal with longstanding grievances and issues of specific land claims and, more important, in B.C.'s case of treaties that have never been signed. It is a major undertaking of tremendous importance, probably more important than anything the B.C. government will have done in the term of its involvement over the past number of years.

There are 47 First Nations involved in the BCTC process to date. They represent over 70 per cent of the First Nations of the province and more are likely to become involved soon. The BCTC has five commissioners. Two are nominated by the First Nations summit, one by the B.C. government and one by Ottawa. The chief commissioner is selected and appointed by consensus of all three partners.

The First Nations summit includes all B.C. First Nations that have agreed to participate in the BCTC process. It provides a forum for those First Nations to meet and discuss treaty negotiations. It worked closely with Ottawa and the provinces to develop the treaty negotiation process and to establish the BCTC. As one of the partners in the process it continues to provide direction.

In Kenora—Rainy River, no different than in B.C., we have our treaties: treaty 3, treaty 9 and treaty 5. The minister responsible for Indian and northern affairs has also undertaken some significant changes to the lives of First Nations people and has tried to improve the affairs of individual communities by getting involved and trying to deal with First Nations and specific land claims.

• (1725)

From firsthand experience, in order for us to get involved in what is most important, the next generation, the economics and the social well–being of First Nations for the years to come, these land claims and these processes must work.

To get into the next century with some hope and aspiration for the young First Nation people not only in my riding but across the country and in B.C. we will have to assure them the grievances of the past will be rectified in order to get on with the future.

I, like many others who represent First Nations, have had roadblocks. I have had First Nations people tell me they are frustrated and fed up. They are not willing to wait much longer. They no longer want the federal or provincial governments to sit on their hands while they wait for a miracle. They would like that process to start.

I take this opportunity to tell the House, the people of Kenora—Rainy River and the people of B.C. that they can thank the government and the minister responsible for moving an agenda which from the last term was basically stalled or going in reverse. We are now starting to see some significant improvement for all the hard work and efforts of not only the Minister of Indian Affairs and Northern Development but the chiefs and councils of the First Nations.

B.C. will be dealing with a six stage treaty. In this negotiation process the stages something like this: a statement of intent; preparation for negotiations; negotiation of a framework agreement; negotiation of agreement in principle; treaty finalization; treaty implementation.

The commission will assess the readiness of parties to negotiate. This involves ensuring the First Nations have the resources needed to make their case and ensuring the federal and provincial governments have struck regional advisory committees so that the local non–aboriginal residents have a voice.

This brings me to a very important point and the obvious wisdom of the positions of the government and the First Nations of the involvement and the voice of non–aboriginal residents. I will use an example of a community in my riding which is over 50 per cent aboriginal. Sioux Lookout is thought by a lot of people to be a non–aboriginal community but it does have a lot of aboriginal people. It would like to participate when we get involved in specific land claim policies and negotiations with First Nations so that when the agreements are made there is a recognition that all of us, native and non–native, will be able to live with the results.

Therefore it is very important that advisory committees are set up with local non–aboriginal residents to give them a voice so we can be assured that in the end the agreements we get will be a win–win situation and not win–lose or lose–win.

I commend again the individuals who put in this process in B.C. because with it I think the results will be much longer lasting than if this process did not have non–aboriginal people in it.

These regional committees in B.C. are part of an extensive commitment to keep the public and all other affected parties informed of developments and to make sure that advice from all sectors of B.C. society are considered. Other efforts include news letters, public meetings, an 800 number, speaking engagements, information brochures, other publications and participation in trade shows.

The BCTC also allocates loans to enable First Nations to fully participate in the process. In other words, it works in partnership with all parties to ensure that the job gets done properly.

The Deputy Speaker: I am sorry to interrupt the hon. Parliamentary Secretary to the Minister of Labour, but he will have 10 minutes remaining the next time the matter is called.

It now being 5.30 p.m., the House will proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

TREATMENT OF MUNICIPAL SEWAGE

The House resumed from June 20, 1995, consideration of the motion that, in the opinion of this House, the government should support the undertaking of a country–wide program of improving the treatment of municipal sewage to a minimum standard of at least that of primary treatment facilities, and of the amendment of Mrs. Guay.

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, it is with great interest that I rise today to debate Motion M–425 brought forward by the member for Comox—Alberni. In this motion, my colleague proposes that the water we use be treated at the primary level instead of being discharged directly into the environment, as is the case today.

In developed and industrialized regions, pollution has altered the natural quality of this valuable resource. Because of growing urbanization and because of the obvious inadequacy of our sewage treatment facilities, we have to worry about the quality of the large quantity of water we consume daily.

Not only is water a necessity of life, but it also contributes to our quality of life. I am very aware of this fact when I look at my riding, the riding of Manicouagan, that borders the Gulf of St. Lawrence. Water is the principal driving force in my region. This natural resource has attracted several industries employing a large number of workers to this area.

Unlike many other vital resources, water has no substitute in most of the activities and processes where it is required, both in industry and in nature. Yet, despite its increasing scarcity and despite the fact that, over the last few years, we have become aware of the seriousness of the water pollution problem, we have not taken the necessary measures to deal with it.

Everyone agrees that our current sewage treatment systems will have to be modernized. I support the motion brought forward by the member for Comox—Alberni because it is clear that our waste water needs a minimum amount of treatment. We cannot go on thinking that we can discharge sewage directly into our lakes and rivers without harming the environment.

Sewage treatment systems are essential to the social and economic functioning of modern communities. The major part of polluted waste found in water comes from sewage and municipal sewage treatment installations and from numerous industries which use those installations to dispose of their waste.

In the last ten years or so, the growing awareness of environmental issues has sparked considerable interest for the protection of waterways. Provinces and municipalities have therefore been spending tremendous amounts of money to develop protection programs for those resources. Motion M–425 proposes a national program. Yet, it has always been clear that municipalities are responsible for providing drinking water, sewage treatment and waste disposal services.

The motion proposes federal interference in a provincial jurisdiction, which is of course totally unacceptable for the Bloc Quebecois. I wonder if the author of this motion is aware of the danger of allowing the federal government to impose its own standards on municipalities.

Motion M–425 proposes that the federal government establish a nationwide program of improving the treatment of municipal sewage to the point of meeting a minimum national standard. In the area of environment, the federal government has always had a tendency to centralize power in Ottawa, supposedly because of the national interest and the need to modernize environmental programs.

Yet, under the constitution, environment is not explicitly the jurisdiction of one level of government more than another.

• (1735)

The courts have declared it what is termed an ancillary power, derived from the areas of jurisdiction allocated to each government. Even before the mid–eighties the government of Quebec, which has exclusive jurisdiction over matters of a local or territorial nature, played a lead role in environmental matters, an area over which it was for the most part responsible.

The federal government was satisfied at that time, as set out in the constitution, with intervening in complementary areas. It was only in later years that it began to interfere in environmental matters. As soon as that happened, duplication and overlap began to crop up increasingly, moreover. This has been perpe-

tuated and aggravated since the election of the present Liberal government, which is attempting to centralize decision making in Ottawa, with all due deference to my colleague from Glengarry—Prescott—Russell. The truth is not always easy to hear, but there you are.

It is becoming increasingly obvious that the present government, regardless of what it says, is seeking to centralize and concentrate power in Ottawa still further. Under a federal regime, there must of necessity be a division of areas of jurisdiction. In Canada, however, such a division often leads to inefficiency. At this very moment, there is a need for the federal government to enter into administrative agreements with the provinces. The current situation simply clouds the issue and makes it extremely difficult to identify who is really responsible if a policy does not bring results. Are we to blame the federal government, the author of the standards, or the provincial government, which may have been remiss in implementing those standards?

Since Canada maintains that it has jurisdiction over some areas of the environment because of the so–called national interest, this means it is in a position to enter into international agreements and to find global solutions along with its partners. Why then could the provinces not do the same with each other and with a sovereign Quebec?

The inefficiency of a system in which responsibility is not clearly identified lies in wasted energy due to duplication and is certainly not any guarantee of sustainable development. In fact, under the current federal system it would be unthinkable to guarantee any kind of sustainable development, since the government in Ottawa seems to have an abiding tendency to centralize powers and to interfere with matters that are the sole responsibility of the provinces.

Although Quebec recognizes the very real concern we should have for the environment, it is not prepared to let the federal government once again intrude in an area over which it has no jurisdiction. Responsibility for municipal sewage lies clearly with the provinces and the municipalities.

The Bloc Quebecois will vote against this motion, not because it is against protecting the environment, and I would like to say that we appreciate the good intentions of the hon. member for Comox—Alberni. As I said, the Bloc would vote against the motion, and it will do so not because it is against protecting the environment but rather because it believes that the environment is better protected when each government deals with the problems for which it is responsible, so that it can set priorities that make sense and as a result be truly effective.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I too am pleased to participate this afternoon in this debate on Motion M–425.

Notwithstanding what we just heard—and I am not sure that the motion has this much importance in a sense—I must say that the remarks that were just made do not reflect what I would call the truth.

[*English*]

First, the motion before the House says that the government should support the undertaking—it says support, it does not say establish it themselves—support the undertaking of a country–wide program of improving the treatment of municipal sewage to a minimum standard of at least that of primary treatment facilities. The motion does not even talk about establishing one national standard, as was alleged by the hon. member from the Bloc Quebecois. Second, it is totally false to allege that it does anything else, which the member has also indicated.

• (1740)

[*Translation*]

Second, there is an amendment, and I wonder whether it is really in order. It must be in order if the Chair accepted it. I must tell you that this amendment has no connection with the main issue, since it deals with a right for all provinces to financial compensation. One has nothing to do with the other.

The motion simply calls upon the federal government to support certain initiatives to guarantee a minimum level of waste water treatment. That is all this motion is about.

Once again, today, the Bloc Quebecois was caught in this House making things up and stretching the truth to an incredible extent.

[*English*]

Sir Winston Churchill once said that the opposite to the truth had never been stated with greater accuracy. I guess one could apply that to the speech the House just heard with respect to what the intention of the motion really is.

I want to speak a bit about the infrastructure program. We get mixed messages from Reform MPs on infrastructure. The motion by the hon. member for Comox—Alberni invites the federal government to support infrastructure programs concerning sewers and the like. I have to admit that we have been getting mixed messages from Reform Party MPs on that subject. Come to think of it, we have been getting mixed messages from the Reform Party on just about every issue.

I have an editorial from the Ottawa *Citizen*, the valley edition, of August 14, 1994, which speaks of the Reform Party position on infrastructure. It is entitled "Reform Sings the Blues" and states that "The Reform Party seems to have changed its tune after advocating the nurturing of infrastructure before the election".

It works something like this. Before the election the Reform Party was in favour of ameliorating the infrastructure and of the federal government supporting it. After the election Reformers started criticizing this. You might ask what is wrong with that, after all, they are Reformers and it should be expected that they will contradict themselves every now and then. That might be true, but there is a certain limit beyond which it becomes odd, even for Reformers.

We have the spectacle of the hon. member for Simcoe Centre. That is a spectacle if I ever saw one. He wrote a letter regarding an infrastructure program in his riding. I want all my colleagues to know it was a coincidence that it was in his riding. The letter, which was to the President of the Treasury Board, stated: "I am writing to further offer my strong support for the project because of the significant job creation this project will provide. One of the main objectives of the infrastructure program is to promote public and private sector partnerships that will not only improve the local and regional economic climate, but also will help Canada as a whole to attract corporations by providing prime business opportunity" and so on.

That was the hon. member for Simcoe Centre, who was at that time writing in praise of an infrastructure program that just happened to be located in his riding. After that was over the same member—

Mr. Harris: Mr. Speaker, I rise on a point of order. We are supposed to be discussing the amendment that was put forward by the hon. member for Laurentides. What the hon. member for Glengarry—Prescott—Russell is talking about now has no relevance to the amendment. Mr. Speaker, that he speak to the amendment.

• (1745)

The Deputy Speaker: The member is referring to the standing order regarding relevance. I am sure the hon. member will make his remarks relevant, if that was not the case, very soon.

Mr. Boudria: Mr. Speaker, the motion is with regard to supporting infrastructure programs. The amendment refers only to how one should fund these infrastructure programs. Of course the member for Simcoe Centre was writing in support of funding an infrastructure program which is exactly what the amendment is about.

Let us get back to the member for Simcoe Centre because I like him a lot. The member for Simcoe Centre in commenting to a reporter said "of other infrastructure programs". By coincidence, these other projects were not in his riding, but here is what he said about them. Remember, let us not be cynical. These other projects to which I am going to refer were in someone else's riding. He said about those: "It is not infrastructure; it is a make work project. They talk about the short term jobs this is creating but those jobs can be anywhere from one day to one month". He was explaining how these things were wrong, among them renovating the coliseum in Edmonton and building facilities and arenas elsewhere.

All those other arenas were wrong but the arena in Barrie was right. It just happens to be in the riding of the member for Simcoe Centre. It was worthy of support and all the praise I brought to the attention of the House a moment ago. It constituted all those virtuous things I described to the House, such as promoting public and private sector partnerships, and so on.

How could that be? How could it be that infrastructure projects are worthy when they are in the hon. member's riding but virtually identical projects in someone else's riding are not worthy of similar praise? I am sure there is a reasonable explanation for this and we will hear it soon.

Let us talk about the infrastructure works program. The city of Calgary has put out a publication on the Canada–Alberta infrastructure works program. It is called "Calgary at Work". Calgary of course is where the ridings of the leader of the Reform Party and other Reform members are located. I wonder if they will pay attention to this because we might ask them questions later. The publication "Calgary at Work" lauds all the virtues of the infrastructure program and all the things that have been done in Calgary. Here are some of the things—

Mr. Johnston: A point of order, Mr. Speaker, I wonder if you could confirm quorum.

The Deputy Speaker: There is not a quorum.

Call in the members.

And the bells having rung:

The Deputy Speaker: Pursuant to Standing Order 29(4), I would ask those members present to approach the table and have their names recorded in the journal.

[*Translation*]

Pursuant to Standing Order 29(3), as we do not have a quorum, the House stands adjourned until tomorrow at 10 a.m.

(There being only 13 members present, including the Deputy Speaker, the names were written down, and the House adjourned at 6.03 p.m.)